

April 2002

TO: Gary Murakami, Manager Special Assessments Unit  
Office of the City Clerk  
City of Los Angeles

FROM: Kent Smith, Executive Director  
Fashion District of Los Angeles Business Improvement District

SUBJECT: First Quarter Activity Report  
January 1, 2002 through March 31, 2002

The purpose of the 2002 First Quarter Report is to summarize key activities that were necessary to accomplish the goals of the District Management Plan and to comply with the terms outlined in the contract Agreement C-97871 between the City of Los Angeles and the Downtown Property Owners Association: Section 2. Corporation Responsibilities: 2.2B Program and Budget Reports-Quarterly Report.

This report outlines Safety, Maintenance, Marketing and Administration activities conducted to ensure quality services designed to make the district a clean, safe and friendly place to work, shop and do business. Nearly \$ 2.9 million dollars a year are spent on district services. It is critical that productivity be measured and tracked daily for each of the operational units that comprise the Clean, Safe and Marketing programs.

Fashion District Activity Reports were developed as a management tool to track and analyze trends, monitor productivity and cost efficiency. Reports are published on a monthly basis and with this detailed historical information we can enhance current systems to better serve the district.

A clear understanding of the performance of contractors, personnel, facilities and equipment enables management to deliver quality results consistent with the high standard of service outlined in the District Management Plan.

## **ADMINISTRATION**

### **FINANCE**

#### **2001 and 2000 Financial Summary and Audit**

The Year End Financial Summary and 2001 Audit was completed by Alan Harrison of Stanislawski and Harrison and approved by the Board of Directors at the March meeting. The Board also unanimously agreed to forego the approved Los Angeles Consumer Price Index (CPI) adjustment for the second year.

The financial statements were found to present fairly and the changes in net assets and cash flows ended in conformity with generally accepted accounting principles. The statement is attached.

#### **DWP Assessments**

The Fashion District met with the City Clerk's office and the Mayor's office to discuss payment of this outstanding assessment. John Chen, Assistant Director of Economic Development at DWP, promised to look into this issue and we were recently informed that DWP paid their 2001 assessment.

#### **LAUSD Assessments**

The City Clerk's office advised the Fashion District that LAUSD officials have informed the City that LAUSD is not required to pay BID assessments. The City Clerk's office intends to hand the matter over to the City Attorney to pursue the collection. This promises to be a very long and arduous process. We have advised the Mayor's office who has agreed to help in the collection effort.

### **DISTRICT GOVERNANCE**

#### **2002 Board of Directors and Committee Appointments**

Michael Delijani was elected to the Board of Directors to replace outgoing member Laura Aflalo. Mr. Delijani is a property owner in the Fashion District and a real estate developer, manager and investor.

Ms. Aflalo served on the Board since 1996 and continues to contribute her time and professional expertise to Fashion District governing by actively participating in three of the five standing committees.

Appointments were ratified for 2002 in Finance, Operations, Image, Personnel and Legislative Committees. According to the Fashion District Bylaws, each Board Member must serve on at least one committee and non-Board members are encouraged to participate.

### **Santee Alley Contract Amendment**

Santee Alley property owners agreed to amend the contract with The Fashion District BID. The BID will deliver service to the North Alley (between Olympic and 11<sup>th</sup> Street) for the next 2 years (2002 and 2003). The Santee Maple Alley Association will continue to deliver services in the South Alley (between 11<sup>th</sup> and 12<sup>th</sup> Streets).

The newly amended contract ensures service delivery to the North Alley by the Fashion District BID and the Santee Maple Alley Association will continue to service the South Alley as a separate subcontractor. The Finance and Operations Committees foresee no financial impact on the FDBID with this arrangement and recommended adoption of the amendment.

### **District Improvement Award Committee**

This new committee met for the first time in March to review proposed categories, select "Best of Category" awards and develop selection criteria for future awards.

Purpose of the Committee is to recognize property improvements that enhance the overall community. Since 1996 the awards have not only promote district progress but also gained positive recognition for the district from city officials and press stories. Committee members are:

- Laura Aflalo, A&H Management, Fashion District Property Owner
- Len Betz, Project Manager, Community Redevelopment Agency of Los Angeles
- Dave Braverman, Ginger Corporation, Fashion District Property Owner
- Merry Norris, Art & Architecture Consultant

Categories: New Construction, Structure Renovations, Structure Conversions, Interior Space Improvements, Creative Store Front Facades.

Selection Criteria: Members concurred that any project should be recognized that supports and enhances the unique brand and integrity of the Fashion District. Future New Construction projects will be evaluated based on (1) Pedestrian Friendly streetscapes that respect the street with landscaping, plantings and sidewalk treatment, (2) Maximizes property size, and (3) Contributes to the style and branding of the Fashion District.

"Best of Category" Awards: Review and vote resulted in the following selections:

- New Construction: LA Collection
- Structure Renovation: 188 South San Pedro
- Structure Conversion: Dewey Hotel
- Creative Store Front Facades: Emerson's

Awards will be presented at the Annual Meeting on April 18<sup>th</sup>. All candidates will receive plaques with "Best of Category" winners receiving a distinct award.

## **SPECIAL PROJECTS**

### **Developing a Strategic Plan for the future of the LA Fashion District.**

The Fashion District like many downtown districts is entering an era of growth and development that presents more options and raises more issues than in past times. Recognizing that the future of the district will be different from the past, the Board of Directors agreed to develop a Strategic Implementation Plan that will help continue the momentum of improvements that have taken place over the last five years.

The outcome of the process will be a Strategic Implementation Plan that will contain some of the following elements

- A defined vision of the district
- An Issues & Policy document that clearly defines the issues and the Board policy to address those issues
- An Implementation Plan that clearly defines the projects that must be implemented in order to achieve the vision
- Implementation steps and resource matrix that identifies actions that must be taken for each project and financial resources available to implement

On January 15<sup>th</sup> all Fashion District Property Owners received a six-page survey asking for their input on a district vision, issues impacting the district and current BID service delivery. Stakeholders met for a general meeting on January 22, 2002. They discussed the survey questions and were asked for their comments on a range of topics from retail-wholesale-manufacturing economics to residential conversions, streetscape and infrastructure improvements, leisure and entertainment uses in the district, parking and transportation improvements, social issues, and city relations.

The Board of Directors met on March 18<sup>th</sup> at a half day Board Retreat to discuss the results of the surveys, and to establish a vision statement and a core purpose statement for the BID based on the input from the questionnaires. They also defined and prioritized issues that are currently impacting the BID.

A second Board Retreat will convene in late spring to review a draft summary.

## **ADVOCACY**

### **Sidewalk Repairs**

Council Member Jan Perry, CD 9, has approved a five year plan to repair .91 mile of sidewalk repairs yearly for the next five years according to the Fashion District Needs Assessment and Preservation Plan developed by the Bureau of Street Services.

Approximately 5,000 linear feet of curb and 968 square feet of gutter repairs will also be completed as part of the scheduled resurfacing projects in the Fashion District during the first three years of the five year plan.

These projects and others are the result of requests from Fashion District property owners and the Fashion District BID working with council districts to advocate for critically needed infrastructure repairs.

Requests for a similar plan have been submitted to Council District 14.

### **Street Paving Schedule**

Los Angeles Street between Olympic and the 10 Freeway was repaved in March after canceling the work in January. To avoid traffic congestion and a negative impact on daytime store hours, the work was carried out over a weekend after business hours on Saturday.

### **CRA Project Committee**

As an elected member of the Project Area Committee, the Fashion District's Executive Director Kent Smith provided comments to the CRA work plan for the new City Center project area. Important additions for the Fashion District include infrastructure and parking projects for the Fashion District. The work plan will be part of the legal document to fund the redevelopment area, which is scheduled to be approved on May 19, 2002.

### **CCA Executive Committee**

As a member of the committee the Fashion District is working with CCA on a number of issues. For example, CCA will be hosting a meeting with Viacom Ducoe (providers of the new public toilets and information kiosks), and the City to discuss the placement of these facilities in our districts.

### **Neighborhood Council District Formation**

The Downtown Los Angeles Neighborhood Council (DLANC) is awaiting certification which is delayed somewhat because of overlapping boundaries with other proposed councils. Mr. Smith was appointed mediator for resolving boundary discrepancies between DLANC and four neighboring councils in formation.

The proposed election format will follow the CRA election procedure and will have a team of two people running for each seat to create an alternate to ensure better meeting attendance.

The Fashion District BID and the LA Garment & Citizen co-sponsored production of a DLANC promotion pin for distribution to downtown stakeholders. The pin serves as a symbol of the new neighborhood council and encouragement to participate in the proceedings.

## COLLABORATIONS

### **Sexual Encounter Use on Broadway at 11<sup>th</sup> Street**

After hearing the large cross-section of opposition to this project, the applicant wisely decided to withdraw the application. The Fashion District's alliance with South Park Stakeholders and Central City Association was instrumental in helping the applicant reach this decision.

### **Wayfinding Signage**

The vehicle signage program was finalized in February in this phase of the process. Over 40 signs in downtown will include directions to the Fashion District. The BID package for vehicle signs is to be completed by the end of March, the contract awarded in May and installation to be completed by Labor Day. The vehicle signs will utilize virtually all of the available existing poles.

The first phase of the pedestrian signage project was reviewed in February. Several signs and indicators were added to the proposed installations to cover more destinations inside the Fashion District and additional directions from outside the district.

### **City Nights**

Mayor Hahn's Business and Economic Development Teams met with BID representatives to discuss a new marketing promotion called "City Nights" to encourage downtown employees to stay in town to shop, dine and visit entertainment centers after working hours. The idea is based on successful models in New York City and Pittsburgh. The Fashion District could easily participate by working with merchants in the retail corridors on Los Angeles Street and through Santee Alley. The BIDs emphasized the need for City funds to market the promotion to ensure its success. At this time however, the project was put on hold.

### **Historic Guidelines**

It was recently announced that a \$1 million in funding from a federal grant sponsored by Congresswoman Lucille Roybal-Allard will be made available through the LA Conservancy for implementing façade improvement programs. This comes as a result of development of the Historic Preservation Guidelines project that was funded through the \$65,000 Getty Grant. We are working with the Conservancy and other downtown BIDs to dispense the funds. Several blocks around Main and Spring Streets are the areas eligible for funding in the Fashion District.

## AROUND THE DISTRICT

### **Santee Court**

MJW Investment received a conditional use permit to convert buildings on Los Angeles Street between 7<sup>th</sup> and 8<sup>th</sup> Streets from industrial to residential use. Also, Mayor Hahn

announced that a \$100 million in funds for affordable housing will be available soon. With the combination of the city's encouragement for affordable housing in our district plus funds available for conversion we will see the start up of more residential development in the future.

### **CaliforniaMart and California Market Center (CMC)**

CMC hosted its first gift show in two completely remodeled showroom spaces on the 12<sup>th</sup> and 13<sup>th</sup> floors. CMC signed a 50 year lease with Hertz Investment Group to take over 1 million square feet (Building C). At a recent press conference, Bill Winsor, CEO of CMC, positioned the CMC as a company that is in the business of delivering buyers - not real estate. This type of aggressive marketing approach is a positive sign for the entire Fashion District.

In February, as expected, the Dallas Market Center announced that it would take over the management of the entire California Mart and change the name to *California Market Center*. Construction continues on the 11<sup>th</sup> floor with floors 9, 10 and 11 expected to be complete in time for the July Gift Show at the Convention Center.

### **Midnight Mission**

Relocation efforts are underway to move the Mission from 3<sup>rd</sup> and Los Angeles Streets to 6<sup>th</sup> and San Pedro Streets on the southwest corner in currently vacant buildings. There are concerns about a proposal to expand kitchen facilities. The proposed new facility will be 70,000 square feet with expanded kitchen facilities to accommodate 500 people at one sitting instead of the 100 people in 5 sittings in the current building. They also propose to have public restrooms accessible 24/7 as well as an interior waiting area to eliminate the crowds of people waiting in line on the street.

The Fashion District strongly suggested that the client entrance should not be on San Pedro St. and Midnight Mission seems inclined to use this entrance as a business entrance with clients entering on San Julian. The current building on the site is vacant and there are many encampments on 6<sup>th</sup> and San Pedro Streets, which would be eliminated once the mission construction begins.

The plan approval and construction will take 2 years after which the Midnight Mission on Los Angeles will be closed and possibly redeveloped into retail (likely on a lease basis similar to the St. Joseph's church site).

### **Kids and Moms Medical Clinic**

The California Hospital Medical Center is opening a branch clinic in the Fashion District offering medical services for single moms and their children. Since there are many single mothers working in stores and manufacturing offices in the district the clinic service will provide a convenient location for single parent families.

### **“World Trade Through LA” Reception**

The Los Angeles Office of International Trade in partnership with Mayor Hahn's LA Business Team sponsored this event to highlight international business opportunities available in the globally diverse LA community. The apparel industry was featured for its contribution to the LA economy. The Fashion District BID, Textile Association of Los Angeles (TALA), the Fashion Business Incubator (FBI), Korean Garment Wholesalers Association and the California Fashion Association (CFA) attended. Announcement of CFA's \$1.2 million grant award highlighted the reception. The award comes from the Department of Commerce for export development in cooperation with the World Trade Center Association. The FBI provided additional panache for the event with a fashion show of collections by LA designers.

### ***BID LINES***

A new quarterly publication was launched in January to inform Property Owners about key activities in the BID's Safety, Maintenance, and Special Projects programs.

The *Fashion District News* will continue to be published as the primary source for information on Marketing and Public Relations activities. Copies of both publications are attached.



## OPERATIONS

Nearly 70% of the annual budget is allocated to Clean & Safe programs. Fashion District Activity Reports were developed as a management tool to track and analyze trends, monitor productivity and cost efficiency. Reports are published on a monthly basis and with this detailed historical information we can enhance current systems to better serve the district.

**13,181 total Safe Team contacts were recorded during the first quarter – a 65% increase over the first quarter of 2001 .** Illegal Vending, Graffiti Vandalism and Encampments continue to be the primary contact problems during the first quarter.

### 2001 – 2002 Contact Comparison: First Quarter

<u>Category</u>	<u>2002</u>	<u>2001</u>	<u>% Increase</u>
<b>Overall Contacts</b>			
<b>All Zones</b>	<b>13,181</b>	<b>7,998</b>	<b>65%</b>
Illegal Vending	2,941	1,952	51%
Graffiti Vandalism	2,095	1,187	76%
Encampments	1,620	630	157%

## A WEEK IN THE DISTRICT

The Clean & Safe Team connects with the Fashion District Business Community in hundreds of ways every day. This is an example of a week in the BID and typifies the activities and flexibility required to deal with a multitude of diverse situations.

## SAFETY REPORTS

### February 23, 2002, 2:40 p.m.

501 E. Pico

Safe Team officers were notified that a beehive had fallen and caused the bees to swarm. A team responded to the scene where three people were stung, including one of the officers who attempted to remove people from the danger. Safe Team officers contacted the Los Angeles Fire Department (LAFD). LAFD responded and they were able to dispose of the hive without any other injuries.

**February 27, 2002, 11:10 p.m.**

400 E. Olympic

Night Vehicle Patrol (NVP) officers became suspicious of an illegally parked car at the above location in the middle of the night. The officers contacted LAPD and asked them if the car was stolen. LAPD checked the plate number, determined it was a stolen vehicle and sent a unit to recover it and return it to the owner.

**March 2, 2002, 12:10 a.m.**

1444 S. San Pedro

Two juveniles stopped NVP officers and told them that they were lost. The officers asked for their phone numbers, contacted their parents and waited with the juveniles until their parents picked them up.

**March 2, 2002, 10:00 a.m.**

**LAPD, LA County Health Department and Clean & Safe Team Task Force**

LAPD and the health department seized the product of illegal food vendors throughout the district. The Clean and Safe Team assisted them in their efforts by disposing of the perishable items, and transporting safe, but illegal foods (such as sodas and whole melons) to The Midnight Mission. The Clean Team also transported the confiscated carts for the two departments. On this occasion, 127 seizures were made from the vendors. This included hot dogs, fruit, tamales, water and donuts.

**March 2, 2002, 8:15 a.m.**

**315 E. 8<sup>th</sup> Street**

NVP officers responded to a call at the above location regarding a trespasser. The officers arrived at the location and the merchant informed them that the woman had stolen some food and beverages from her store and that she wanted to press charges. LAPD was contacted by Safe Team officers and came to the location. The merchant then changed her mind, and said that she did not want the woman in her store again. LAPD warned the woman of trespassing, told her not to return to the location or else she will be arrested and she was released.

**March 3, 2002, 4:30 p.m.**

**742 S. Maple**

Safe Team officers were stopped by a group of consumers at the corner of Olympic and Santee who informed them that a man had just banished a knife at one of them. The officers then did an area patrol and located the man at the above location. When the officers asked the man to stop so that they could ask him a few questions he started to run. Safe Team officers flagged down LAPD and informed them of the situation. The man was taken into custody by LAPD, but later released after the victim told them he did not want to press charges.

**March 5, 2002, 7:15 p.m.**

**201 E. Pico**

A citizen flagged down the Clean Team graffiti crew at the Olympic entrance to the Santee Alley. He was screaming for help and informed them that he had just been robbed. The graffiti team notified Night Vehicle Patrol officers via the radio. As the NVP officers responded, they asked for

additional information and learned that two men had choked the victim and taken his wallet and cell phone. NVP received a description of the suspects and their clothing. One of the responding officers spotted both suspects at 1201 S. Santee and requested his partner to respond. He also directed the graffiti team to have the victim respond to the area to see if he could identify the suspects. The man arrived and pointed out both suspects as the men who had robbed him. NVP officers called LAPD and held the suspects until LAPD officers arrived. LAPD officers recovered the victim's wallet and cell phone from one of the suspects. LAPD placed both suspects under arrest and took them into custody.

## SECURITY

### **Illegal Vending**

Illegal vending has become the activity that generates more contacts by security than any other. Over 25% of Safe Team efforts are directed toward dealing with illegal vending. In addition, overtime is worked by the Clean Team to support the efforts of the police and health departments in disposing of perishable food items. For the most part, illegal vending efforts are directed towards illegal food vendors, although some time is also spent dealing with illegal purveyors of pets, compact discs, pirated videos and other items. The following efforts have been made to reduce the problem:

- The Safe Team regularly seizes shopping carts from illegal vendors. This is done to return the carts to the rightful owners and to discourage the vendors from operating within the district.
- Approximately two years ago, the Operations Director initiated a "Vending Committee" the Community Police Advisory Board. This committee meets monthly and coordinates the efforts of all downtown stakeholders pertaining to illegal vending. Efforts are coordinated at these meetings with the police department, health department and the department of transportation. As a result, a minimum of one coordinated effort a week is made between the health department, LAPD and our Clean and Safe Teams. The effort conducted by this team involved impounding 25 motorized hot dog carts and citing the owners to ensure compliance with health department regulations.
- The police department efforts resulting from this committee eliminated vending from unattached trailers throughout the district.
- During 2001, the Safe Team had 10, 346 contacts with illegal vendors. This is out of a total of 41, 553 contacts. In other words, 25 percent of the Safe Team's efforts are directed towards illegal vending and there were an average of 862 contacts a month.
- From Saturday, February 2nd through Saturday, February 9th, LAPD, the health department and our Clean and Safe Teams impounded illegal food products and carts from 93 vendors. In addition, several vehicles were impounded, arrests were made and individuals were cited.
- The Executive Director and Operations Director met with representatives of County Supervisor Gloria Molina's office to discuss overtime funding for the

health department to allow weekend operations within the Fashion District. The health department started working in the district with LAPD in February.

- A flyer was produced and is being distributed to consumers warning of the health dangers of consuming food sold by illegal, unlicensed vendors. They have been very effective with prospective customers. A copy is attached.

Our BID counterparts in Hollywood and Pasadena are also experiencing growing problems of illegal vending in their districts. We will continue to explore other ways to disrupt illegal vending in the Fashion District.

### **Encampments**

One issue that bears reporting is the recent increase in the number of encampments in the district and adjacent areas. New homeless encampments spring up regularly. The staff is preparing a letter with attached photographs to the police department to request their assistance on individuals and groups that are not responsive to the Safe Team. Jan Perry is opposed to allowing people to live on the streets like this and is making this matter a priority for her office. If encampments continue to grow, staff will adjust the number of officer working the district in the early morning hours.

### **Downtown Community Court**

Council Member Perry, District 9, has put forward a motion to create a Community Task Force to expedite the establishment of a community court downtown. The court would address the increase in misdemeanor crime – drinking in public, encampments, etc.

### **Homeless Technical Services Grant**

The Fashion District partnership with the Downtown Center BID and Central City East Association's Toy and Industrial BIDs were awarded a technical assistance grant from the IDA (International Downtown Association) through the Health and Human Services Branch of the Federal Government (we applied in November 2001). The funding will allow the development of a unique collaborative effort between the three BIDs and a number of social service organizations to address street behavior and homelessness in downtown Los Angeles. Goals of the partnership will include implementation of specific programs and activities to assist homeless individuals and day laborers.

### **Radio Purchase**

New radios and a new graffiti vehicle were purchased to replace old equipment. The new radios are functioning well throughout the district and ensure seamless communications between the Clean & Safe Teams and the Fashion District Field Office.

### **Parking Meter Vandalism**

The Los Angeles Department of Transportation asked the Fashion District to support an enforcement – surveillance effort to stop parking meter vandalism in the BID. Similar efforts are underway in other areas of downtown. LADOT proposed a team effort with merchants, BID teams and LADOT personnel to document and report damage. The BID provided a list of problem areas and is monitoring progress.

### **Neighborhood Prosecutor**

A \$2.5 million Neighborhood Prosecutor Program (NPP) initiated by City Attorney Rocky Delgadillo was launched in March. The NPP is a pilot program with four months to show tangible results. 18 prosecutors were assigned to LAPD divisions to address minor offenses that impact quality of life in downtown. The Central Division Prosecutor plans to identify three projects by the end of March based on input from stakeholders. The Fashion District is supporting issues relating to the homeless and drug activity.

### **Narcotics Repression Activities**

LAPD Central Division's new Commanding Officer, Captain Beck, is working with the Fashion District and neighboring BIDS to curb drug activity. Captain Beck deployed undercover officers at least 12 times during February and March. On each occasion, the undercover officers averaged at least a dozen arrests including one for eighty balloons of heroin.

### **Job Center and Student Volunteers**

Volunteer UCLA students started working with day workers at the Job Center twice a week to coach them in completing job applications and job training. In addition, teachers from LAUSD are assisting with English language skills. These volunteers are much appreciated both by the day workers and by the Fashion District

## **MAINTENANCE**

### **Trash Statistic Comparison**

Trash tonnage collected in the First Quarter increased 38% over 2001 First Quarter tonnage and 44% since 2000 First Quarter records.

2002 First Quarter  
633 Tons

2001 First Quarter  
458 Tons

2000 First Quarter  
441 Tons

### **Trash Increases**

The comparison of 2000/2001/2002 trash collection reveals a huge increase in tonnage during 2002. This is hopefully attributable to an increase in business activity. The Operations Committee is exploring the potential for a coordinated trash removal program during 2002.

### **Gumbusters**

Gum removal was completed on half of the district's sidewalks and projects another six months' work to complete the job. The exceptional results are encouraging owners and property managers to maintain the sidewalks in first rate condition.

## IMAGE & COMMUNICATIONS

Positioning the Fashion District as the industry leader in California-style contemporary apparel continues to be the major marketing goal in 2002. The Fashion District is working in collaboration with apparel marts and designers to promote the concept to national and international wholesale buyers.

Public Relations efforts to place stories on business development and special service programs will continue during 2002 based on the success of media attention during 2000 and 2001.

With results from the Strategic Plan survey, the Image & Communications committee plans to evaluate responses and develop a strategy for promoting the district through 2003.

## COMMUNICATIONS

### **Advertising**

With limited funds available for paid advertising, ad purchases are carefully selected to reach important target audiences.

The Fashion District is contributing \$5,000 to a \$40,000 collateral piece to promote Los Angeles to both domestic and international women's wear buyers. The piece, coordinated by the Apparel News and Los Angeles Economic Development Corporation will be distributed to over 10,000 domestic buyers and to international buyers in Mexico, Japan, Europe and Asia.

The Fashion District also sponsored a paid advertisement in the California Apparel News – January 18, 2002 - advertisement to wholesale buyers at January Summer 2002 Market (January 11 – 15).

### **Recent Publicity**

Public Relations stories have proved to be an excellent source of free advertising for the Fashion District. During the first quarter the following stories were printed or aired:

#### Print Media

- KNBC Channel 4 TV News Coverage at 4 pm – January 15<sup>th</sup> of Olympic torch passing through the Fashion District.
- KABC Channel 7 TV News Coverage at 5 pm – January 15<sup>th</sup> of Olympic torch passing through the Fashion District and downtown.
- Fodor's Travel Guide, 2003 Edition – updated information and searchable directory on website.
- California Apparel News – January 4, 2002 - Max & Janet Salter to be Honored by University of Judaism.

- La Opinion – Article discussing the Mayor’s “Shop LA” program with comments from Kent Smith.
- Women’s Wear Daily – Dallas Takes Charge of Calmart (February 7).
- Downtown News – Downtown Development, Loft-y Aspirations (February 18).
- Downtown News – Livin’ La Vida Loft (February 18).
- LA Garment & Citizen – DNC, HCNC to Keep Talking (February 20).
- Los Angeles Times – Calendar Section, Inside the Urban Core (February 21).

A Valentine’s Day press release, highlighting women’s wear, perfume stores, and the Flower District was distributed to 20 media outlets, including KTLA, KABC, and KNX News Radio.

The Fashion District hosted a trolley tour for Filipino TV travel magazine show on February 26th. The segment will air in over 40 different countries in the coming weeks.

#### TV Media

- KTLA Channel 5 News – Morning News fro 5-7 am highlighted the Flower District for Valentine’s Day shopping (February 13).
- KABC Channel 7 News – Garth Kemp presented the weather, live from the Flower District on Valentine’s Day. Segments aired at 5, 5:30, 6 and 11 am and 4pm (February 14).
- KNX 1070 AM News Radio – Mentioned the crowds of shoppers at the Flower Market in downtown Los Angeles throughout the day (February 14).

**As a result over 22,954,159 unpaid advertising media impressions were recorded in the first quarter. This represents over a 47% increase in media impressions recorded in the first quarter of 2001 (15,200,000) and 230% increase over 2000 activity (6,920,821). It is clearly evident that attracting attention for program projects is leveraging millions of dollars in free advertising and promotions for the district.**

#### Media Impressions: 1<sup>st</sup> Quarter Comparison

	2002	2001	2000
Impressions Recorded	22,954,159	15,615,153	6,920,821

#### Website Activity

Directing public attention to the Fashion District website is one of the major strategies employed in the district marketing plan. All advertising and public relations directs readers and viewers to the Fashion District website at [www.fashiondistrict.org](http://www.fashiondistrict.org).

Public recognition of the Fashion District has risen correspondingly. Over **78,000 Website Hits** (individual page visits) were recorded in the First Quarter. While brand new individual Website Visits (individuals logging on to [www.fashiondistrict.org](http://www.fashiondistrict.org)) decreased compared to First Quarter 2001, the amount of time each individual spent on the website increased over 70%.

Website activity is an effective benchmark for evaluating year to year advertising and public relations efforts. The **2100% increase** in activity from 2000 to 2002 not only reinforces this concept but also illustrates the increased popularity of “surfing the web”.

#### **Website Activity: 1<sup>st</sup> Quarter Comparison**

	<b>2002</b>	<b>2001</b>	<b>2000</b>
Website Hits	78,642	45,162	Not available*
Website Visitors	12,736	23,794	4,024
<b>Total</b>	<b>91,378</b>	<b>68,956</b>	<b>4,024</b>

\* Website Hit records were not available until 2001.

#### **Winter 2002 Newsletter**

The Winter newsletter was distributed to property owners and focused on the District's holiday marketing campaign.

#### **Urban Land Market Place**

The Urban Land Institute hosted a conference and trade exhibition in Los Angeles in March at the Biltmore Hotel. The Fashion District participated as an exhibitor this year to provide economic/demographic information about the district to attendees. The Urban Land Institute is a world renown authority and standard for urban planning throughout the world. The February edition of their monthly publication featured a story on Los Angeles BIDs – Beyond Clean & Safe. BID Executive Director, Kent Smith, was quoted in the article that outlined the start up and progress of the historic guidelines project.

#### **Economic Development Kit**

The economic development kit was updated for 2002 and distributed to developers, real estate agents, etc. at the ULI Urban Marketplace on March 27, 2002.

IMAGE

#### **New Logo**

The Fashion District prepared to launch a new logo graphic during the first quarter of 2002. New stationary, cards, clean and safe team uniforms, wall sign, map guide and a new website look are planned to debut during the second quarter.

#### **Fashion District Map Guide Reprint**

The popular map guide is slated for updating and reprinting in 2002. Progress is underway to survey the area for information on new buildings, ATMs, restaurants, etc.

#### **Trolley**

Starting in March the trolley will be advertised and promoted as the Free Shopping Tips Tour – focusing on the insider shopping tips our tour guides give out.



July 2002

TO: Gary Murakami, Manager Special Assessments Unit  
Office of the City Clerk  
City of Los Angeles

FROM: Kent Smith, Executive Director  
Fashion District of Los Angeles Business Improvement District

SUBJECT: Second Quarter Activity Report  
April 1, 2002 through June 30, 2002

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## **ADMINISTRATION**

### **FINANCE**

#### **LAUSD Assessments**

The City Clerk's office advised the Fashion District to prepare a letter requesting assistance from the City Attorney to collect \$248,959.58 in unpaid assessments from the Los Angeles Unified School District. The CA's office has not responded.

#### **0% CPI Increase**

The FDBID Board of Directors agreed to forego a CPI increase for 2003 assessments. This is the second year in a row that an increase has not been applied and is attributed to good management practices.

### **DISTRICT GOVERNANCE**

#### **Annual Meeting**

This year's property owner annual meeting highlighted 2001 as a year of BID partnerships. The Annual Report highlighted successes and challenges experienced by the BID during 2001. (see Attachment) California Market Center sponsored a gala morning reception on the 13<sup>th</sup> floor of the newly renovated gift and home accessories center.

Representatives from US Congresswoman Lucille Roybal Allard's office, the Mayor's office, Council Districts 9 and 14, County officials from LA County Supervisor Molina's office, the Department of Public Health, Public Works, the City Clerk's Special Assessment Unit, and the Los Angeles Police Department received special thanks for their contributions to the BID.

Following the Annual Meeting, Council Member Jan Perry joined Board Members to discuss various issues.

#### **BID Renewal**

The current BID expires on December 31, 2003. Because of the lengthy process, renewal efforts started in April 2002. A detailed timeline outlining the process from start to finish was prepared to direct activities and meet required City deadlines.

The Board decided to proceed according to the BID timeline instead of waiting until September when the city might fund the BID's request for \$40,000 for renewal funding. If the process is held up until that time there is a clear risk of missing important deadlines because of the need to comply with the City's RFP procedures.

After discussing a proposal from Urban Place Consulting Group, the Board agreed to hire the company to facilitate steering committee meetings, develop a management plan and assessment formulas.

Steering Committee meetings should start in July with a final recommendation prepared to present to the Board of Directors by November 2002. An announcement flyer was sent to all property owners inviting their attendance and input at Steering Committee meetings. Owners outside the current BID boundaries who have indicated interest were also invited to participate. (See Attachments)

A main issue for the BID renewal steering committee is the potential of expanding the district boundaries based on requests from owners located west, south and east of the current boundaries.

## **SPECIAL PROJECTS**

### **Developing a Strategic Plan for the future of the LA Fashion District**

Progress continued on developing the elements of a comprehensive vision and smart growth plan to take the district forward in the future. Based on feedback from a survey conducted in January and subsequent individual property owner interviews, Board Members agreed to adopt the following vision and core purpose statements:

*“The LA Fashion District will be the world wide creative center of the fashion industry with a unique, accessible, clean and safe environment in which to work, visit and live.”*

*The purpose of the Fashion District Business Improvement District/DPOA is:*

*“To preserve and enhance the Los Angeles Fashion District as the center of creative fashion world wide.”*

Both statements are already being used to focus media and public relations stories, and as a guiding theme for general operations.

With BID Renewal efforts already underway, the Board decided to put further development of the Strategic Plan on hold until the 18-month renewal process is completed.

### **MTA TIP Proposal – Phase II Streetscape Enhancement Project**

A proposal to the Metropolitan Transportation Authority is in development stages for funding a second streetscape improvement project in the Fashion District. The plan for Phase II is to create a retail corridor that connects downtown with Santee Alley. The Phase I - \$1.2 million Santee Alley streetscape project was approved last year and the design phase is set to start in 2003. The proposed Phase II will start at Broadway on 7<sup>th</sup> Street , proceed south on Los Angeles Street to Olympic then east to connect to the Santee Alley.

### **Western Regional BID Retreat**

At an IDA Leadership forum in January, Mr. Smith and several BID executive directors from the west met for dinner. In the discussions they realized that there were many issues that were common to western BIDs which could benefit from a shared dialogue. In particular, they agreed

that attendance by all staff from each organization would provide a great network for future dialogue.

The retreat convened on Catalina Island during a long weekend in June. Staff from Seattle, Portland, Phoenix, Boulder, Long Beach, Pasadena and four Los Angeles BIDs attended. Each BID submitted issues they wanted discussed. Six issues were selected which became the theme for the weekend.

The conversations and contacts will be helpful as we tackle mutual problems and it was a much more cost effective forum for our staff than the annual IDA conferences.

## **ADVOCACY**

### **Fashion District Tour for Congresswoman Lucille Roybal-Allard**

The Congresswoman enjoyed a special tour of the district on May 29<sup>th</sup> during her recent visit to the 33<sup>rd</sup> District. She has been a supporter of the district since 1989 when, as a State Assembly Member, she helped support the formation of the Santee Alley Association.

The special tour was hosted by property owner Selma Fisch and covered the entire Fashion District to highlight the successes and challenges facing the area.

The Congresswoman learned about many new and ongoing positive projects including the Wayfinding Signage Program, the Coordinated Street Furniture & MTA Streetscape Project, the incredible level of investment by property owners with new projects at Maple Street Walk, City Market Fashion Dock, San Pedro & 12<sup>th</sup> Street, Peykar Wall Street Investments at Pico Blvd., Santee Court, 6<sup>th</sup> & LA Wholesale Plaza, and a special tour of the C Building renovations in the California Market Center.

She also received a first hand look at some of our serious challenges including the homeless situation at the San Julian Drop In Center and the encampment-panhandling-drug abuse problems on 7<sup>th</sup> Street that are affecting our entire district. We also visited the Day Laborer Job Center at Pico-Main and discussed associated loitering problems, and, saw the numbers of illegal vendors selling un-inspected food. Neighborhood blight conditions were pointed out that are being caused by illegal news racks, antiquated infrastructure, and the LAUSD warehouse/parking lot on San Pedro Street.

Although the Congresswoman cannot allocate federal funds directly to the Fashion District, it is important for her to see conditions and challenges that affect our property and business owners' ability to conduct business. As a member of several important committees she will be able to help direct federal funding to the state programs that will have a positive impact on our problem areas such as addressing homelessness and improving the infrastructure.

### **Concerns Regarding the Management at the San Julian Drop-In Center**

The Volunteers of America have been managing the San Julian Drop In Center for the past three years. The LA Homeless Services Authority is currently evaluating their performance. We

attended a public hearing to protest the VOA management of the center and especially to the appalling state of the neighborhood around the center. A letter outlining BID concerns was mailed to LAHSA and Council Districts 9 and 14, and copied to Fashion District property owners Johnny Mellano and Scott Yamabe whose businesses at the Flower Mart are negatively impacted on a daily basis by the homeless population that frequent the Drop In Center. As a result of our protest LAHSA is considering alternative management organizations.

### **Parking Meter Repairs Requested**

A survey of the district showed 377 parking meters that were either broken or missing – this represents 25% of the meters in the district. The resulting lack of street parking negatively impacts sales because shoppers cannot park conveniently in front of stores where they want to do business. Vandalism is the major reason for broken meters. A letter regarding the problems to the Los Angeles Department of Transportation (LADOT) was followed up with a department plan to review and repair the meters. When the meters are repaired the Fashion District will once again lobby for parking meter revenue disbursements.

LADOT has also asked the Fashion District to support an enforcement – surveillance effort to stop parking meter vandalism in the BID. Similar efforts are underway in other areas of downtown. LADOT proposed a team effort with merchants, BID teams and LADOT personnel to document and report damage. The BID provided a list of problem areas and is monitoring progress.

### **CRA Downtown Redevelopment Project**

City Council approved the City Center Redevelopment Plan at its May 15, 2002 meeting. Much of the money over the next five years is budgeted to be spent on housing with a smaller amount earmarked for façade improvements. Problems with implementing the plan are already surfacing. The County of Los Angeles has filed a suit against the CRA claiming that the new project will diminish the current tax revenue base. And, although organizers have withdrawn the plans for a National Football League Stadium the potential remains for future activity. Any further progress will be monitored to ensure clear access to the district.

### **Downtown Los Angeles Neighborhood Council**

DLANC was certified after an all day meeting on Saturday, April 23<sup>rd</sup>. The boundaries approved by the Board of Neighborhood Commissioners are the 110 Freeway to the west, 23<sup>rd</sup> Street and Washington to the south, Alameda to the east and the 101 Freeway to the north. Little Tokyo, the Federal Buildings and part of the Artist District were assigned to the Historic Cultural Neighborhood Council. DLANC's next steps are electing a Board of Directors and developing short term goals and long range plans for the new neighborhood council.

### **Coordinated Street Furniture Program**

The City of Los Angeles is considering The LA Fashion District Business Improvement District as a potential location for installing new Bus Transit Shelters, Newsstands, and Automatic Public Toilets through the Los Angeles Coordinated Street Furniture Program. The process

starts with neighborhood and property owner meetings during 2002 to gain input on interest. Installation is scheduled to begin in late 2002 and be completed by the end of 2003.

Viacom Decaux was selected by the City of Los Angeles to provide, install and maintain the equipment. The Street Furniture Program is free and paid for entirely through advertising revenue.

At a June meeting in the Fashion District, representatives from the Bureau of Street Services and Viacom Decaux presented the basic plans to determine property owner interest in the program and invite input on possible locations for the Street Furniture. Only three public toilets are planned for downtown and the Fashion District will probably not be selected for an installation because of narrow sidewalks. Property owners at the meeting expressed concern about increases in nuisance behavior associated with public toilets.

The Fashion District is an ideal candidate for several bus shelters to upgrade transportation hubs in the district. Owners were concerned about the shelter size and blocking retail storefronts from street views. The Viacom Decaux team is reviewing a bus stop inventory of the District and will return with a plan for proposed installations and possible locations for an information kiosk.

### **Redistricting**

Council Member Pacheco introduced a motion to create new district boundaries for the 1<sup>st</sup>, 9<sup>th</sup> and 14<sup>th</sup> Council Districts that included a majority of the Fashion District. Currently the BID is divided between CD 9 and 14. The BID Board of Directors agreed to support the position of maintaining current boundaries and forwarded a letter to Councilmember Weiss, Chair of the Ad Hoc Redistricting Committee.

Subsequently Councilmember Nick Pacheco withdrew his proposal. The Fashion District will continue to share Pacheco and Perry. Pacheco's 14<sup>th</sup> District includes all properties between Olympic and 7<sup>th</sup> Streets, while Perry retains the rest of the Fashion District in the 9<sup>th</sup>.

After a final vote on June 11<sup>th</sup>, the Los Angeles City Council approved a redistricting ordinance that closely reflects a map recommended earlier in the year by the citizen Redistricting Commission. The only significant boundary change affecting Downtown moves the Central City West Planning Area (west of the 110 Freeway) into Council District 1. The new council boundaries went into effect on July 1<sup>st</sup>.

### **COLLABORATIONS**

#### **Liquor License Request for the Huntington Hotel**

On June 3, 2002, many property owners, two Board Members (Raquel Bensimon and Sam Sale) and BID staff attended a public hearing to oppose granting a liquor license at the hotel. Opposing testimony, along with opposition from residents at an adjacent loft building, convinced

the Zoning Administrator to deny the application at the hearing. Although the permit was denied the decision can be appealed. Any activity will be monitored.

### **Wayfinding Signage Phase II**

The Confederation of Downtown Associations (CDA) will contribute an additional \$26,000 in order to leverage an additional \$1 million from the Metropolitan Transit Authority to complete the Wayfinding Signage Program. The BID Board approved the Fashion District contribution. Phase II of the project is production and installation of the pedestrian signage. The Fashion District requested approximately 100 pedestrian signs for installation throughout the 82 blocks.

82 vehicle signs throughout Downtown featuring directions to the Fashion District were approved by the Fashion District. The project is still waiting the City's approval to use the existing sign poles. In most cases some regulatory signage will have to be relocated or removed. Three locations will require new poles. Sign locations range from 3<sup>rd</sup> Street to Washington and from Figueroa to Alameda.

### **Historic Core Guidelines**

The Fashion District participated with the Central City Association in a subcommittee to review the draft guidelines as related to future developments. The concern is that the guidelines will become an enforced code. In fact, the guidelines are meant to be a recommendation that can be used if the developer is interested in preserving the integrity of the streetscape.

## OPERATIONS

Nearly 70% of the annual budget is allocated to Clean & Safe programs. Fashion District Activity Reports were developed as a management tool to track and analyze trends, monitor productivity and cost efficiency. Reports are published on a monthly basis and with this detailed historical information we can enhance current systems to better serve the district.

**12,713 total Safe Team contacts were recorded during the second quarter – a 28% increase in activity over the second quarter of 2001.** Illegal Vending, Graffiti Vandalism and Encampments continue to be the primary contact problems during the second quarter.

### 2001 – 2002 Contact Comparison: Second Quarter

<u>Category</u>	<u>2002</u>	<u>2001</u>	<u>% Increase</u>
<b>Overall Contacts</b>			
<b>All Zones</b>	<b>12,713</b>	<b>9,971</b>	<b>28%</b>
Illegal Vending	2,970	2,751	8%
Graffiti Vandalism	1,959	1,446	35%
Encampments	1,226	1,231	.04% decrease

## SECURITY

### **Illegal Vending**

Illegal vending has become the activity that generates more contacts by security than any other. Over 25% of Safe Team efforts are directed toward dealing with illegal vending. In addition, overtime is worked by the Clean Team to support the efforts of the police and health departments in disposing of perishable food items. For the most part, illegal vending efforts are directed towards illegal food vendors, although some time is also spent dealing with illegal purveyors of pets, compact discs, pirated videos and other items.

Vending activity in the north half of Santee Alley virtually disappeared with the introduction of the off-duty police officers. LAPD and the Health Department combined forces with the Clean and Safe Teams on fourteen occasions in the last two months. They made a combined total of 440 confiscations on these occasions.

Neighborhood Prosecutor Dena Sohns suggested the Fashion District should write a letter asking the City Attorney for help to prosecute illegal vendors and include Victim Impact Statements.



Over 50 statements were received from property owners and merchants. These Impact Statements were forwarded with a letter to City Attorney Delgadillo asking for a prosecutor to be assigned to deal with illegal vending. The prosecutor should have dual duties of educating judges in the importance of dealing with this potential life-threatening issue and with filing cases against repeat offenders. The City of Huntington Park has been successful in eliminating illegal vending using this method. Council Member Perry and Council Member Pacheco received copies of the request.

### **Encampments and Homeless Task Force Meeting**

Some progress is being made to address the issue in downtown. Positive measures include: (1) Sheriff Baca is now publicly committed to releasing individuals into the communities where they were arrested. Council Member Jan Perry and Kathy Gregory helped initiate this plan. (2) Single Room Housing (SRO) will open an 84 bed emergency shelter for street campers. This is the first step toward removing people from the streets and the BIDs have been asked for referrals for managing the facility. On the negative side the LAPD has been cracking down on crime in skid row and dispersing more problem individuals throughout downtown.

Encampments and nuisance behavior have increased dramatically. The problems will likely persist because the county has made budget cuts in social services and the result will be more homeless on the streets. The new model for getting homeless into affordable housing as soon as they become homeless will not receive the funding required to initiate the plan as quickly as needed. Another negative element is the recent increase in heroin use attributed to a drop in cost.

### **ACLU Monitoring**

In accordance with the Stipulation of Settlement agreement between the ACLU, Fashion District and Burns Security, the Inner City Law Center carries out monitoring sessions on a bi-monthly basis to ensure that the tenets of the agreement are being carried out. Results of the April and June monitoring sessions were extremely positive. In April only one complaint was reported out of 50 interviews. In the June session, no complaints were recorded after four different sessions of interviews with 40 different individuals.

### **Crime Increases Seen in Second Quarter**

Encampments and Homeless increases are contributing to an overall increase in criminal activity. LAPD Central Division's Captain Charlie Beck was alerted to the problems in a letter that detailed new and ongoing problems.

Individuals are setting up camps, drinking in public, sleeping on the sidewalks, littering, panhandling aggressively, and, breaking into parking meters. They urinate and defecate in public and trespass with impunity at a series of sites in the Fashion District. As the sites fail to receive continuous attention by law enforcement, narcotics activity begins to take hold, the local crime rates increases and the BID receives complaints from businesses and property owners.

The East Side Detail and the Problem-Solving Unit have occasionally helped with encampment problems but the problems are worsening. The Fashion District asked Captain Beck for LAPD

officers to be assigned to work with our Safe Team on a more regular basis, in order to break the cycle of criminal activity.

### **Police Chief Survey**

As part of the effort to hire a new LAPD police chief selected community groups received questionnaires about their communities. The responses will help develop the selection criteria. The Fashion District asked that a question be included about how the new Chief will work with Business Improvement Districts.

### **Downtown Community Court**

The Fashion District was appointed part of a Task Force to establish a Downtown Community Court by the City Council. The court will address the increase in misdemeanor crime – drinking in public, encampments, etc.

A Federal Bureau of Justice Assistance grant for nearly \$1 million was accepted for the implementation of the Community Court Pilot Project and to establish the Task Force. After preliminary steps are in place the Mayor's office of Criminal Justice Planning will develop and release a Request for Proposal to solicit community and social service agencies to provide services to assist defendants in complying with court-ordered sanctions and community service.

### **Homeless Technical Services Grant**

The Fashion District attended a two day workshop in Washington D.C. to address homelessness. Workshop attendance was the first step in a technical assistance services grant sponsored by the International Downtown Association (IDA) and Health and Human Services. Downtown Center BID and the Toy District also attended. Long Beach, Detroit, Atlanta, New Orleans, Philadelphia, Portland, Washington DC, Calgary, Kalamazoo Michigan, Shelby NC and Lexington Kentucky also sent representatives.

Through the grant The Fashion District will have the benefit of direct technical assistance in our community customized to address local homelessness issues, resources and opportunities, off-site technical support and network development to keep all participants connected to each other and to colleagues dealing with the same issues.

At the first meeting the groups learned that enforcement models alone have been unsuccessful in eliminating encampments, public urination, drinking in public and other quality of life crimes associated with homelessness. Building partnerships with the social service community seems to offer the best potential for solutions especially when social service organizations are convinced to change their models to stop "enabling" the homeless lifestyle.

Employment seems to be a key ingredient in getting people off the street and Los Angeles BID's use of formerly homeless maintenance workers should be continued. President Bush has increased funding for programs addressing homelessness in his proposed 2003 budget. He also embraced a plan by the National Alliance to End Chronic Homelessness in Ten Years. Recently the City Council of Los Angeles also adopted the plan.

Another key ingredient in this effort is outreach. Using elements of our Safe Team more effectively could provide some of these outreach services. Downtown Center BID has partnered with the psychiatric nurses at California Hospital to put 2 outreach teams on the street.

Downtown BIDs will reconvene in Los Angeles in the fall to continue to explore ways to address this difficult issue.

The Fashion District in partnership with the Downtown Center BID and Central City East Association's Toy and Industrial BIDs were awarded a technical assistance grant from the IDA (International Downtown Association) through the Health and Human Services Branch of the Federal Government (we applied in November 2001). The funding will allow the development of a unique collaborative effort between the three BIDs and a number of social service organizations to address street behavior and homelessness in downtown Los Angeles. Goals of the partnership will include implementation of specific programs and activities to assist homeless individuals and day laborers.

#### **Day Laborer Job Center**

The 14<sup>th</sup> Street Center was nearly shut down because of lack of funds. The Coalition for Humane Immigrant Rights of LA (CHIRLA) and Instituto De Educacion Popular del Sur De California (IDEPSCA) inadvertently neglected to apply for the necessary grant funding. The City Council reinstated the funding, set up a timeline for program RFPs to ensure that a gap in services does not occur again, and, is monitoring the effectiveness of the 14<sup>th</sup> Street center and other centers in the city through the Housing & Community Development Committee. Although the Fashion District Day Laborer situation continues to create nuisance behavior problems, the situation would significantly worsen if the Center closed. Staff will continue to monitor the project and work to support its continued existence.

### **MAINTENANCE**

#### **Trash Statistic Comparison**

Trash tonnage collected in the Second Quarter increased 25% over 2001 Second Quarter tonnage and 26% since 2000 Second Quarter records.

<u>2002 Second Quarter</u>	<u>2001 Second Quarter</u>	<u>2000 Second Quarter</u>
660 Tons – 7 Tons/day	490 Tons – 5.5 Tons/day	420 Tons – 4.5 Tons/day

#### **Trash Increases**

The comparison of 2000/2001/2002 trash collection reveals a huge increase in tonnage during 2002. Although business activity has increased, much of trash tonnage increase is due to illegal dumping in the alleys.

### **Illegal Dumping**

Over 650 illegal dumping incidents were recorded for the second quarter. This is a significant spike in activity over 171 incidents recorded in 2001 during the same time period and represents a 280% increase. One hopeful sign is the Bulky Item Drop Off Center which is scheduled to open in July.

#### **Illegal Dumping Incident Comparison**

<u>2<sup>nd</sup> Quarter 2002</u>	<b>280% Increase Over</b>	<u>2<sup>nd</sup> Quarter 2001</u>
650 Incidents Recorded		171 Incidents Recorded

## **IMAGE & COMMUNICATIONS**

Positioning the Fashion District as the industry leader in California-style contemporary apparel continues to be the major marketing goal in 2002. The Fashion District is working in collaboration with apparel marts and designers to promote the concept to national and international wholesale buyers.

### **IMAGE**

#### **New Look Rolls Onto Fashion District Streets**

New uniforms for the Clean & Safe Team are taking the Fashion District's new logo out into the district streets. The bold black and gold logo emblazoned on gold shirts and black caps creates a mobile advertisement for the BID.

#### **New Wall Sign**

The new logo now acts as a supergraphic business card for the district. The highly visible graphic can be seen from the 10 Freeway and acts as a landmark for the district.

### **COMMUNICATIONS**

Urban Market Place Group was led committee discussions on the direction of communications efforts and advertising goals for 2002. Promoting the Fashion District as the creative force for LA was the primary focus. Communicating this concept to various publics involves four major efforts: District Enhancement, Property Owner Relations, Public Sector Communications, and Visitor Communications.

The committee agreed to move forward by selecting at least two initiatives from each category. Discussions will continue at the July meeting.

### **PUBLIC RELATIONS**

Media impressions decreased slightly over numbers recorded in the second quarter of 2001. However website sites continue to soar over last years' numbers. Clearly the searchable directory is attracting visitors and keeping them on the site for longer periods of time.

#### **Media Impressions**

<u>2<sup>nd</sup> Quarter 2002</u>	<u>2<sup>nd</sup> Quarter 2001</u>
16,600,000	19,000,000

#### **Website Hits**

<u>2<sup>nd</sup> Quarter 2002</u>	<u>2<sup>nd</sup> Quarter 2001</u>
840,000	200,000

### **International Attention Getter**

The Fashion District sponsored a second collateral piece to promote Los Angeles fashion to both domestic and international women's wear buyers. Coordinated by the *California Apparel News* and Los Angeles Economic Development Corporation the glossy, photo format promotion will be distributed to over 10,000 domestic buyers and to international buyers in Mexico, Japan, Europe and Asia.

### **High Profile Through High Fashion**

Mayor Hahn, Councilman Nick Pacheco, New Mart owner Joyce Eisenberg-Keefer, Ken Lombard, president of the Board of Department of Water and Power Commissioners, and Dov Charney, founder of American Apparel, were honored with "California Style" in the Fashion District at the Fashion Business Incubator's (FBI) annual fundraiser and fashion show.

The highlight of the evening celebration was a runway fashion show featuring FBI member designers DRC, Couture, the Clothing Company, Hanna Hartnell and Magda Knits. The hosts of the event were Michael Quintanilla, *Los Angeles Times* fashion writer, and, Brenda Cooper of the E! Channel's Fashion Emergency show.

Mayor Hahn praised the local fashion industry, noting that it represents over 145,000 jobs in Los Angeles, that with its continued growth, "Los Angeles will be the fashion capital of the nation."

The FBI is a non-profit organization that provides business development assistance to start up manufacturing businesses and retailers in the LA Fashion District. These new businesses are a key element in the continued growth of the Fashion District.

The Mayor's office recently approved a six-month grant of \$100,000 to assist ten local apparel manufacturers in Los Angeles. The FBI was awarded the contract that will assist with growth problems through business training.

Also a new 4,800 square foot Resource Training Center is in the works thanks to an outstanding partnership of public and private resources. New Mart's owner Joyce Eisenberg-Keefer donated space at the signature 9<sup>th</sup> Street contemporary apparel house, Councilman Nick Pacheco sponsored a city block grant for \$150,000 for pre-construction costs, and the DWP Economic Development Department will sponsor the construction costs. The FBI's resource center will house training facilities with a co-op showroom, computer lab, product development lab, photo studio and classroom space.

October 2002

TO: Gary Murakami, Manager Special Assessments Unit  
Office of the City Clerk  
City of Los Angeles

FROM: Kent Smith, Executive Director  
Fashion District of Los Angeles Business Improvement District

SUBJECT: *Third Quarter Activity Report*  
July 1, 2002 through September 30, 2002

The purpose of the 2002 Third Quarter Report is to summarize key activities that were necessary to accomplish the goals of the District Management Plan and to comply with the terms outlined in the contract Agreement C-97871 between the City of Los Angeles and the Downtown Property Owners Association: Section 2. Corporation Responsibilities: 2.2B Program and Budget Reports-Quarterly Report.

This report outlines Safety, Maintenance, Marketing and Administration activities conducted to ensure quality services designed to make the district a clean, safe and friendly place to work, shop and do business. Nearly \$ 2.9 million dollars a year are spent on district services. It is critical that productivity be measured and tracked daily for each of the operational units that comprise the Clean, Safe and Marketing programs.

Fashion District Activity Reports were developed as a management tool to track and analyze trends, monitor productivity and cost efficiency. Reports are published on a monthly basis and with this detailed historical information we can enhance current systems to better serve the district.

A clear understanding of the performance of contractors, personnel, facilities and equipment enables management to deliver quality results consistent with the high standard of service outlined in the District Management Plan.

## **ADMINISTRATION**

### **District Governance**

#### **BID Renewal**

The LA Fashion District Business Improvement District is preparing for renewal. The LA Fashion District has not always been the CLEAN & SAFE environment that it is today. Just a few years ago - trash lined the streets and alleys of our business community, tenants and employees considered the Fashion District a risky place to work, and, property values were falling to all time lows. It was time to take action. Property owners voted to start a special assessment district in 1996 to manage DAILY Clean & Safe programs to ensure vibrant, clean and safe streets.

Today the success of the program is clearly evident. The LA Fashion District Business Improvement District provides a unique, accessible, clean and safe environment for the creative center of the Los Angeles apparel industry. Our business community is thriving - but it will take property owners' personal commitment to ensure that this success continues by renewing the BID.

Property owners received an invitation to become part of the Steering Committee that will help decide the future of the LA Fashion District – the creative center of apparel industry and the second largest economic engine in Los Angeles.

The Steering Committee is scheduled to at least six times from August through October to develop final recommendations for five major issues: Boundaries, Budget, Programs, Assessment Formulas & Zones, and Final Recommendations for the new District Management Plan.

The first Steering Committee meeting was held on July 23, 2002. Committee Chair Barry Gold explained to attendees that the goal of the meetings was to craft a new management plan. Property owner input is an essential element in the process to decide how the assessment dollars will be spent, boundaries, zones, budget and assessment formulas. Although the success of the BID is clearly evident, the renewal will not be easy and everyone's support is essential.

Kent Smith, BID Executive Director, presented an overview of the current BID programs. Steve Gibson, BID Renewal Consultant, explained the renewal process, timeline and meeting schedules.

Attending property owners were asked to comment on their priorities. Increasing trash and illegal vending, and, lack of parking and streetscape lighting headed the list.

During the previous three years a number of requests to become part of the BID were received from property owners outside the district. As a result, information meetings were held during the third quarter in potential expansion areas to the east, south and



west of the current boundaries. Meetings were hosted by property owners in those locations. Property owners in the study areas were invited to attend the meetings to learn about the potential for establishing BID services in their area. Findings will be presented to the Steering Committee.

The Steering Committee will present their recommendations for Boundaries, Budget, Programs, Assessment Formulas & Zones, and Final Recommendations for the new District Management Plan to the Board of Directors at the December meeting. The final new District Management Plan approved by the Board will be submitted to property owners during the petition drive that is slated to begin in February 2003.

### **BID Renewal Steering Committee Members**

#### Fashion District BID Board of Directors

Raquel Bensimon, Michael Delijani, Gabriel Ferrucci, Barry Gold, Peter Fleming, Steve Hirsh, Lance Kluger, Igor Korbatov, Elisa Mermelstein Keller, George Peykar, John Remeny, Sam Sale, Max Salter.

#### Fashion District Property Owners, Downtown Property Owners, Representatives, Brokers

Laura Aflalo, Ethan Eller, Alan Fisch, Selma Fisch, I. Hassan, Behrooz Haverim, Peter Kaplan, Steve Needleman, Ed Rosenthal, Ben Soroudi, John van den Akker, Mark Weinstein.

### **Advocacy and Special Projects**

#### **Grant Funding Update**

Thanks to the help of MJW Investments, the State of California awarded \$100,000 to fund a street lighting project on Los Angeles Street between 7<sup>th</sup> and 9<sup>th</sup> Streets.

The short form application was completed for 2002 MTA TIP funding to link the Santee Maple Streetscape Project with the 7<sup>th</sup> Street corridor using Olympic and Los Angeles Streets. It is now being reviewed by Street Services, Engineering Division, and is supported by Council District 14.

#### **Santee Alley & Los Angeles Street Repaving Projects Completed**

The Fashion District had three significant street and sidewalk improvement projects completed in the district. The first was the reconstruction of Santee alley to address drainage problems. We worked closely with street services and Supervisor Dennis Weber to keep business owners updated on the project and posted officers to prevent trucks and pedestrians from damaging new concrete. The Bureau of Street Services did a first class job in coordinating the efforts and we sent a letter commending their work.

Los Angeles Street between 7<sup>th</sup> and 8<sup>th</sup> was resurfaced at the end of September to repair damage to the street after the water main break this summer. Sidewalk directly in front of

the break site was also replaced. Although paving was put on hold for a week due to an equipment failure, the work is completed with minimal disruption to daily business.

More paving work in the Fashion District was recently completed on San Pedro Street extending from 9<sup>th</sup> Street to the Santa Monica 10 Freeway.

### **Third Annual Barbecue for Law Enforcement and Public Safety Community**

The Fashion District sponsored the annual barbecue honoring members of the LAPD, LAFD, Sheriff's Department, Highway Patrol and LADOT on August 23<sup>rd</sup> in Pershing Square. Proceeds from this year's event were donated to the Los Angeles Fire Department Memorial Fund.

### **2002 WRAP Award Recognizes Fashion District Recycling Efforts**

Thanks to Board of Directors member Peter Fleming the BID was encouraged to apply for a Waste Reduction Award, a program sponsored by the State of California's Integrated Waste Management Board. We are pleased to report that the Fashion District BID was awarded special recognition for our recycling effort.

### **Neighborhood Council Board of Directors Elected**

On September 17<sup>th</sup>, over 1,000 Downtown stakeholders turned out at the Central Library to vote for the first ever Downtown LA Neighborhood Council (DLANC) Board of Directors. The election also included over 900 absentee ballots and set a voter record for the City's new neighborhood council process. In fact, many interest groups brought voters to the polls and conducted heavy absentee ballot campaigns.

The Fashion District BID, CCA, DCBID and other Downtown BIDs created a slate of candidates for the "Business Interest" seats on the 27-member Board. Our slate was exceptionally successful and elected seven new Board members. Congratulations to Lynn Myers, Mark Tarczyński, Richard Meruelo, Kevin Tamaki, Martha Saucedo, and Pierre Toulakany for their election victories. The Swearing In Ceremony and first Board meeting takes place on Sunday, October 20, 2002.

### **IDA Annual Conference, Boston**

Kent Smith and Lynn Myers attended the 48<sup>th</sup> Annual Conference in Boston which has a very pedestrian friendly and vibrant downtown. Author and speaker Richard Florida maintains that the creative class is the key to revitalization of downtown. That certainly puts the Fashion District on the forefront of this trend.

Kent Smith was nominated and elected to the Board of Directors of the International Downtown Association. There are now four reps from California on the Board including Carol Schatz from Central City Association. It's the first time LA has had more than one rep on the Board which indicates our growing stature in the downtown community. The position offers to opportunity to learn from other downtown practitioners and to influence

the federal spending on important downtown issues of concern to the Fashion District such as homeless technical assistance grant the Fashion District received from IDA.

### **Central City Community Plan**

The Fashion District hosted a tour of the district for the planners who are updating the Downtown Community Plan. They were still under the impression that the BID is manufacturing district and were impressed with the transformation of the district to wholesale and retailing activities. Many of the infrastructure grants from public sources are dependent on the policies set out in the community plan and it is important that the planners understand the pedestrian character of the district.

### **Fashion District In Transformation**

#### **Gerry Building Grand Opening**

MJW Investments celebrated the opening of its meticulously restored historic building with a special ribbon cutting ceremony on September 10, 2002. The event was attended by Council Member Nick Pacheco, CD 14, members of the Los Angeles Conservancy and many apparel industry professionals. The property, located in the heart of the Fashion District at 910 South Los Angeles Street, combined its retro Art Deco architecture with twenty-first century style apparel showroom facilities. Previously the Gerry Building was used as sewing and manufacturing small business offices.

#### **California Market Center**

The Grand Opening in July marked the date of the first gift and home accessories show in the history of the Fashion District. Five floors of the C building were converted and stocked in time for the first buyer market. A gala party hosted by the Dallas Market Center, offered guests and buyers an opportunity to experience the newly converted floors featuring extraordinarily designed spaces. Additional floors are currently undergoing conversion from apparel to gift showrooms.

This change of use represents a reaction to the trend toward lifestyle buying and brings new direction and additional force to the already successful economic base of the Fashion District.

### **Finance**

#### **LA Unified School District Property in the BID**

The School Board is ready to recommend approval to move all operations from the San Pedro Street facility to a new facility in Montebello. Construction is expected to be completed in a year after which they will prepare the San Pedro Street facility for sale or ground lease.

The BID will work with the City of Los Angeles to ensure that the future of this site is compatible with the rest of the LA Fashion District.

## OPERATIONS

Nearly 70% of the annual budget is allocated to Clean & Safe programs. Fashion District Activity Reports were developed as a management tool to track and analyze trends, monitor productivity and cost efficiency. Reports are published on a monthly basis and with this detailed historical information we can enhance current systems to better serve the district. The following statistics are selected categories from the contact database.

### Security

**14,282 total Safe Team contacts were recorded during the third quarter – a 19% increase in activity over the third quarter of 2001.** Illegal Vending, Graffiti Vandalism and Encampments continue to be the primary contact problems during the third quarter.

The Drinking in Public, Labor Worker Incidents, Loitering, Aggressive Panhandling, Burglary, and Motor Vehicle Burglary contact categories were included in this report for the first time, because of persistent or fluctuating recurrence, and increasing problems associated with these nuisance behaviors.

#### 2001 – 2002 Contact Comparison: Third Quarter

<u>Category</u>	<u>2002</u>	<u>2001</u>	<u>% Variance</u>
<b>Overall Contacts</b>			
<b>All Zones</b>	<b>14,282</b>	<b>11,990</b>	<b>19% increase</b>
Illegal Vending	3,169	2,636	12% increase
Graffiti Vandalism	2,123	2,265	.9% decrease
Encampments	1,606	1,657	1.3% decrease
Drinking In Public	496	551	1.1% decrease
Labor Worker Incidents	139	193	7% increase
Loitering	611	408	15% increase
Aggressive Panhandling	157	109	15% increase
Burglary	13	16	16% decrease
Motor Vehicle Burglary	22	26	19% decrease

Decreases in categories such as burglary and motor vehicle burglary may be attributed to additional officer deployments.

### **Illegal Vending**

This problem has reached epidemic proportions in the Fashion District particularly on weekends. The City of Huntington Park has virtually eliminated this problem with the efforts and close cooperation between their city attorney and police force.

The FDBID submitted a request to LA City Attorney, Rockard J. Delgadillo, for a prosecutor to be assigned to deal with illegal vending in the area. FDBID recommended that the prosecutor should have dual duties of educating judges in the importance of dealing with this potentially life-threatening issue and with filing cases against repeat offenders.

The Fashion District has formed partnerships with LAPD, County Health Department and local Code Enforcement teams to do sweeps of the area to confiscate illegal goods.

In the past two years the BID and its partners have put forth the following efforts:

1. All unattached trailers selling fruits and hot dogs have been removed from downtown streets.
2. Twenty-five three-wheeled, licensed hot dog carts were impounded in a one-day operation to bring them in compliance with health codes.
3. Warnings are issued daily to food vendors that they cannot conduct their illegal activities in the area.
4. Literally hundreds of seizures of uninspected foods were conducted and the carts were impounded.
5. Tons of perishable food was disposed of, including: hot dogs, tamales, chumpurada, and fruit.
6. Thousands of educational flyers have been created and distributed in English and Spanish warning consumers of the dangers of buying from unlicensed food vendors.

For the most part, illegal vendors are not prosecuted. Their carts and/or inventory are seized and they are released. Usually this is done because the police know that the City Attorney's office will reject filings on these cases out of hand. The incidents are considered minor and victimless. Police officers report that it sometimes takes six or seven physical arrests before the City Attorney will file against an individual. This does not take into account the following:

1. Most street vendors are merely employees, being paid less than minimum wages by a small group of people who restock them, sometimes hiding in public bathrooms and cutting their fruit up on toilet seats to hide from authorities. These criminals are raking in the money while keeping their unreported employees in poverty.
2. The illegal vendors can be very violent. Safe Team members have had their personal and company vehicles vandalized. They have received threats, been spat on and physically attacked. A vendor, who has now been charged, entered the Fashion District field office and threw a chunk of concrete through the dispatcher's window, striking a pregnant lady in the side, narrowly missing her baby.

3. Illegal vendors are organized, often following police and health department officials on bicycles, broadcasting to each other on hand-held radios and cell phones.
4. The city of Los Angeles is losing a fortune in taxes not being paid by these illegal enterprises.
5. The Fashion District had over ten thousand contacts with illegal vendors in 2001. This activity accounted for 25% of the Safe Team's efforts.

The City of Huntington Park has virtually eliminated illegal vending with the close efforts and cooperation between their City Attorney and police force. The BID is prepared to work with the Neighborhood Prosecutor but this requires the efforts and expertise of the City Attorney's office as well. The BID believes that the City Attorney's office must play an active part in dealing with this critical public safety issue. The request is being monitored for progress.

### **Homeless Issues In Los Angeles**

There has been a dramatic increase in the number of homeless people in downtown LA. The BID has counted 29 encampments in the district which didn't exist a year ago. CCEA has over 1,000 – the Financial District and Historic Core has recorded over 100. Jan Perry, CD9, in cooperation with City Attorney Rocky Delgadillo, is finalizing an anti-encampment ordinance for the City of LA. The current ordinance which prohibits sleeping on the sidewalk has proved to be unenforceable. Captain Beck arrested 120 people in September under this ordinance and none were prosecuted.

The BIDs also plan to meet in October Mr. Delgadillo to discuss ways to overcome the "necessity defense" which prevents the enforcement of any anti-encampment, or anti-public urination & defecation ordinances.

### **Mayor Hahn's Roundtable on Homelessness**

BIDs and other organizations met on July 2002 with the Mayor's Staff to discuss homeless issues. The Mayor's staff fielded comments including input from attendees including ending studies and starting to enforce ordinances on encampments, aggressive panhandling, and approving an ordinance against urination and defecation in public. BID's agreed to continue to work together to develop new ideas that gain attention from City services and the Mayor's office.

### **Sheriff Baca's Homeless Summit 2002**

An estimated 11,000 homeless live in downtown Los Angeles. Most attention has been paid to the Los Angeles central city area where a cluster of shelters and service providers around San Julian Street attract many homeless people. How to deal with homeless individuals on the streets is a problem for many cities and one that is expected to increase as welfare reform cutoff dates kick in. Law enforcement agencies can no longer be caretakers. Efforts must be renewed to learn how to work with homeless individuals.

Earlier in the summer a community-wide call was issued for papers,, asking experts and concerned residents to submit ideas for a vision statement and action steps to solve the problem of homelessness. A series of focus groups were also conducted in July.

The goal of the summit was to draft a community vision and prioritize steps that can make Los Angeles County and its cities a better place for everyone.

Kent Smith submitted a Vision and Recommended Actions Summary that was selected for publication in the summit booklet. Smith's vision proposed a system of rewards and punishment based on an individual's efforts to seek treatment. Actions to accomplish the vision included outreach teams, enforcement of current ordinances, shelter and housing programs, a community court system, and an employment program.

#### **Downtown Homeless Drop In Center**

The San Julian Street Drop In Center is located a half block outside the BID. Since operations began there has been a marked increase in homeless people on the streets surrounding the center. Narcotics activity and violence have increased. A building on the northeast corner of 7<sup>th</sup> Street and San Julian has been gutted by fire twice, allegedly as a result of "warming fires". This activity spills into the Fashion District, creates disruption to business and is subsequently causing merchants to move out of the area. Merchants complain of people loitering in front of their businesses, blocking egress with makeshift housing , aggressively panhandling and urinating in public.

It came to the attention of the Fashion District that the Los Angeles Homeless Services Authority (LAHSA) was considering renewing the contract for the current facility operator. The FDBID submitted a letter of concern to LAHSA recommending the acceptance of a provider to operate the facility that is held accountable for impact on the surrounding community. Progress is being monitored.

#### **Request for Liquor License Restriction**

The Fashion District submitted a request for review of the liquor license to the California Alcoholic Beverage Control for Duke's Liquor located at 818 San Pedro Street.

One of the BID's biggest problems in the vicinity of 8<sup>th</sup> Street and San Pedro involves transients who are addicted to drugs and/or alcohol. BID security staff responds to complaints of belligerent drunks at this liquor store regularly. The BID was successful in removing the retaining wall at this location that was frequently used as a place to hide drugs and loiter. While reducing drug activity, public drinking continues to be a problem here. Our security officers have handled 86 contacts at this location this year, including over 20 instances of drinking in public, 12 instances of loitering and 6 disturbance calls. The merchant at this location has called over 20 times, himself, in the first six months of this year. The Safe Team has witnessed the merchant selling to obviously inebriated individuals and complaining that they were not leaving his store

after they bought their alcoholic beverages. The BID is working with LAPD on numerous incidents such as those described here.

The L.A. Fashion District requested that this permit be examined very closely and recommended that the merchant be restricted from selling single cans of beer and fortified wines. Progress will be monitored.

### **Passage of Proposition 36 Has Increased Street Drug Use**

This law, which went into effect on July 1, 2002, allows an individual the right to select treatment if they are arrested for any drug infraction including possession. Jail time is no longer an option as a result of passage of this bill. Instead the individual is allowed to decide to let the court select treatment or they can select on their own. As a result most people decide to select treatment on their own and then never attend treatment. There is no system in place to track this activity. The BIDs are dealing with this system breakdown and the resulting tremendous increase of drug dealing and users on the streets. The BIDs are also working with the Superior Court to resolve this situation as soon as possible.

### **Fashion District Response to Increased Criminal Activity**

BID has had to initiate several defensive measures because of the dramatic increases of reported criminal activity within the district. Robberies, burglaries and car break-ins have all gone up. Additionally, taggers became more prevalent as well as entrenched encampments, and gang activity.

The following steps were taken:

- A daily liaison was established with Central Area detectives. A safe team officer was deployed one hour early on an overtime basis and met with the detectives in charge of robbery, burglary and auto-related crimes to share information and to learn what crimes were reported in the prior twenty-four hours. This current information, including wanted suspects, was brought to the roll call to share with the entire Safe Team at 8:30 a.m.
- The Safe Team supervisor updated the Operations Director daily so that he could redirect resources as the problems dictated.
- Individual Safe Team members wrote out a daily plan on how they would deal with problems in their specific area. Supervisors examined Daily Activities reports to ensure compliance with the stated plan and to verify results.
- Two additional officers were directed to work on an overtime basis until 10 p.m. to provide more coverage for the entire district.

These steps were initiated with successful results. The Night Vehicle Patrol caught an individual breaking into a car. As they were handcuffing the suspect, a merchant approached and told them that the same person had just stolen merchandise from his store. That merchandise was also recovered. The LAPD liaison learned the license



number of a vehicle involved in a robbery in the area last week. They were on the lookout for it yesterday and learned today that LAPD captured the car and arrested people responsible for robbing a store in the district with a gun and assaulting the victim.

The FDBID Board of Directors agreed it was necessary to allocate reserve funds over the next three months to reduce these problems in the district. Specific steps taken are listed below. The plan will be flexible and expected to be modified as priorities change.

Night Vehicle Patrol: Normally, the last bike team goes off duty at 6:30 at night. A team has been directed to remain until 10 p.m. on an overtime basis until new, temporary personnel can be hired and trained. At that point, three cars will patrol the district during prime times for criminal activity at night. Each vehicle will have a smaller area and will be responsible for checking it more often. Officers will be using their spotlights more liberally to thwart nighttime criminals.

Bike and Footbeat Officers: Eight additional bike or footbeat officers will be assigned to specific problem locations with specific assignments. The locations and assignments will be flexed based on the most current information of problems. Car break-ins on the weekend will be one of the first areas to which resources will be directed.

Working More Closely With the Community:

- Robbery victims will be visited by a specially trained Safe Team member as soon as they become aware that a robbery has occurred. This officer will ensure additional information gets passed on to the appropriate detective. He will also provide the owner with crime prevention pamphlets to prevent recurrences or to minimize the danger.
- The Safe Team will be identifying cars, in surface lots and on the street, that are particularly vulnerable break-ins and leave brochures for the owners suggesting that they lock items in the trunk or at least hide cell phones and packages under seats.
- Safe Team members will be coming to more merchants and/or property owners asking for trespass letters to help them thwart encampment problems on their property at night.
- Additional "ToCo" chips will be installed in targeted locations. These computer chips will allow officers to demonstrate how often they patrol a particular area.
- Property owners will be notified of ongoing problems with tenants who are involved in illegal dumping.
- Additional officers will be assigned to stand next to illegal food vendors and/or aggressive panhandlers, providing information to the public warning them of the dangers of contaminated foods and advising them how better to help the homeless by giving to local charities than directly to people who may be abusing drugs or alcohol.

Portions of this plan were implemented immediately, fully operational by August 12<sup>th</sup> and expected to run through at least November 8<sup>th</sup>.

### **Emergency Phone Number List**

With the increase in criminal activity such as burglaries and car break ins, and infrastructure failures including a water main break, the LA Fashion District Safe Team members are usually at the scene with the police (LAPD) or the fire department (LAFD). These police and fire department regularly ask for off-hour phone numbers for property and business owners to inform them of the emergency.

The LA Fashion District BID is in the process of creating a directory of contact numbers to use in emergency situations. Over 2500 merchants are being contacted directly by the Customer Service Ambassadors to obtain the information.

### **Sidewalk Obstruction Code Enforcement**

The City of Los Angeles is inspecting the entire Fashion District for sidewalk obstruction violations. The inspectors are warning merchants that they are in violation of various laws by using sidewalk space to sell or display merchandise. They may soon initiate enforcement action in the form of citations. These actions are being taken by the City of Los Angeles in response to hundreds of complaints we have received from property owners and merchants about illegal food vendors and other illegal vendors in the area.

Property owners were asked to advise their tenants that it is illegal to offer items for sale or display outside of an enclosed business. Fashion District sidewalks are becoming impassible and shoppers have to walk in the streets to get through some areas of the district.

### **Services Directory Package**

A new services directory, rolodex card and sticker were mailed to all property owners with an invitation to request additional packages for upper story tenants. The new contact materials are another way the BID is working to communicate with owners and tenants about BID services.

### **Security Escort Service Available**

Merchants were reminded that they can call the Field Office to reserve a security escort for their employees or buyers. The Safe Team will walk employees from their building to their cars.

### **Operations Director Search**

Over 300 resumes were received as a result of advertisements in the LA Times, Monster.com, American Security investigative Society, International Downtown Association and ALADS Dispatcher, The Official Publication of the Association for Los Angeles Deputy Sheriffs Incorporated. (15 candidates were interviewed and pending the results of the written assignment the list will be shortened to four or five candidates.) A formal interview panel is expected to convene by early November which will include Captain Charlie Beck from Central Division to reinforce our partnership with LAPD.

## **Maintenance**

### **Trash Statistic Comparison**

Trash tonnage collected in the Third Quarter increased 11% over 2001 Second Quarter tonnage and 16% since 2000 Second Quarter records.

2002 Third Quarter  
643 Tons – 7.1Tons/day

2001 Third Quarter  
581 Tons – 6 Tons/day

2000 Third Quarter  
408Tons – 4.5 Tons/day

### **Trash Increases**

A comparison of 2000/2001/2002 trash collection continues to reveal a huge increase in tonnage during 2002. Although business activity has increased, much of trash tonnage increase is due to illegal dumping in the alleys.

### **Illegal Dumping**

Illegal dumping is still a huge problem in the district although a 35% decrease in illegal dumping incidents were recorded for the third quarter as compared to second quarter incidents. This decrease may partially be due to the opening of the Bulky Item Drop Off Center which opened in July.

Also, illegal dumping is a lower priority this quarter because the BID is experiencing so many other criminal activity problems

### **Illegal Dumping Incident Comparison**

#### **2002 Quarter Comparison**

3 <sup>rd</sup> Quarter	2 <sup>d</sup> Quarter
231 Incidents Recorded	650 Incidents Recorded

#### **2001 – 2002 Quarterly Incident Comparison**

3 <sup>rd</sup> Quarter 2002	3 <sup>rd</sup> Quarter 2001
231	171

### **Automated Sidewalk Cleaning**

The Clean Team washed and swept nearly 18 million square feet of sidewalk during the third quarter compared to 14 million square feet recorded during 3<sup>rd</sup> quarter 2001. Although this is a drastic increase in cleaning activity over 2000 (4 million square feet cleaned manually) some property owners are complaining about dirty sidewalks.

The BID is evaluating the performance of automated equipment and also problem sidewalk areas.

## **IMAGE & COMMUNICATIONS**

### **Image Branding**

The LA Fashion District rolled out a new look on the streets with new Clean & Safe Team uniforms in new yellow and black signature colors. The new district logo is prominently featured on shirts, jackets and caps. Visibility in the crowded Fashion District streets is an important issue and the new color scheme helps attract attention to the teams. Shoppers and merchants can now clearly see BID workers so they can ask for assistance or information.

### **Public Relations**

Media impressions increased by 7,000,000 impressions over second quarter and remain approximately the same as last year's number.

Website site visits remain approximately the same as 2001 however website hits continue to soar over last years' numbers. Clearly the searchable directory is attracting visitors and keeping them on the site for longer periods of time.

#### **Media Impressions**

<u>2<sup>nd</sup> Quarter 2002</u>	<u>3<sup>rd</sup> Quarter 2002</u>	<u>3<sup>rd</sup> Quarter 2001</u>
16,600,000	23,600,000	22,700,000

#### **Website Hits**

<u>3<sup>rd</sup> Quarter 2002</u>	<u>3<sup>rd</sup> Quarter 2001</u>
1,400,000	155,000

### **Marketing**

The committee agreed that more funding needs to be allocated from the User Communications into the other three areas: image enhancement, property owner relations, and public sector communications. Priority projects are:

#### **Image Enhancement**

- Create a media tour to showcase the district to press.
- Promote development of an LA Fashion Week

#### **Property Owner Relations**

- BID renewal collateral and video
- Create an Economic Development package
- Initiate a research project to compile economic statistics

#### User Communications

- Update shopping tour
- Create a walking tour brochure

#### **Holiday Advertising**

The committee recommended purchasing holiday decorations this year instead of launching a holiday advertising campaign. Options are being reviewed.

#### **Property Owner Communications**

The Summer 2002 newsletter was distributed to property owners and tenants. District Improvements and the new image branding campaign were featured articles.

#### **Leveraging Media Attention Dollar by Dollar**

The Fashion District is leveraging \$18 worth of media coverage for every dollar spent. Here are just a few of the results:

##### Website Hits

- 506,081 Website Hits for the month of September – the highest ever!!

##### Media Coverage

- Santee Alley Bargains on *UPN News Channel 13*, September 27, 2002.
- Residential Growth Adds to Vibrant Commercial Activity, *LA Business Journal*, September 23, 2002. (*A copy of the article is attached*)
- "Unlocking the Street of Eternity", *Downtown News*, September 30, 2002.

## **ATTACHMENTS**

BID Renewal Steering Committee Invitation

2002 Summer Newsletter

Services Directory – Telephone Card – Sticker

“Residential Growth Adds to Vibrant Commercial Activity”  
September 23, 2002                      *LA Business Journal*



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January 2003

TO: Gary Murakami, Manager Special Assessments Unit  
Office of the City Clerk  
City of Los Angeles

FROM: Kent Smith, Executive Director  
Fashion District of Los Angeles Business Improvement District

SUBJECT: *Fourth Quarter Activity Report*  
October 1, 2002 through December 31, 2002

The purpose of the 2002 Fourth Quarter Report is to summarize key activities that were necessary to accomplish the goals of the District Management Plan and to comply with the terms outlined in the contract Agreement C-97871 between the City of Los Angeles and the Downtown Property Owners Association: Section 2. Corporation Responsibilities: 2.2B Program and Budget Reports-Quarterly Report.

This report outlines Safety, Maintenance, Marketing and Administration activities conducted to ensure quality services designed to make the district a clean, safe and friendly place to work, shop and do business. Nearly \$ 2.9 million dollars a year are spent on district services. It is critical that productivity be measured and tracked daily for each of the operational units that comprise the Clean, Safe and Marketing programs.

Fashion District Activity Reports were developed as a management tool to track and analyze trends, monitor productivity and cost efficiency. Reports are published on a monthly basis and with this detailed historical information we can enhance current systems to better serve the district.

A clear understanding of the performance of contractors, personnel, facilities and equipment enables management to deliver quality results consistent with the high standard of service outlined in the District Management Plan.

## **ADMINISTRATION**

### **District Governance**

#### **BID Renewal**

The Board of Directors voted their final approval in December, on a list of 13 recommendations presented by the Steering Committee for the new District Management Plan. The list included recommendations on the length of term for the next BID, a five-year budget, boundaries, assessment formula, internal zones, and service programs.

The Steering Committee met at 14 meetings during 2002 to review all aspects of the current BID, and prospective programs and budget for the next BID.

**July 23, 2002**

**July 30, 2002**

August 13, 2002

August 13, 22, 26, 2002 Expansion Information Meetings

August 27, 2002

**September 18, 2002**

October 8, 2002

October 15, 2002

**October 29, 2002**

**November 18, 2002**

**December 2, 2002**

**December 9, 2002**

The Steering Committee is scheduled to continue meeting through January 2003.

A draft of the new district management plan will be prepared for Board review in early January 2003 with final approval expected by mid January. The petition drive is slated to begin in early February.

#### **Bylaws Review Committee**

An ad hoc Bylaws Review Committee was formed to review the Bylaws of the Downtown Property Owners Association that were developed in 1998. Several property owners



suggested that this is an ideal time to review the Bylaws since we are currently working to create a new District Management Plan for the purposes of renewing the Business Improvement District in 2004. All property owners were invited to attend.

Issues include:

- Institutionalizing a democratic voting process
- Weighted votes
- Ensuring Board accountability
- Maintaining a fair and objective organizational structure that ensures diversity and representation from property owners of the BID
- Term limits

Several meetings have taken place and no consensus has been reached.

Several owners are urging the committee to agree to instituting a ballot process to ensure that all property owners have a say in the governing of the BID and to ensure that the Board does not become entrenched.

Several other property owners are in favor of maintaining the current nominating process because it is already democratic - all property owners are annually invited to submit Board consideration forms. Instituting a democratic vote may result in a popularity contest that would possibly preclude appropriate zone representation and make it difficult to attract candidates.

The December meeting was adjourned after several unsuccessful attempts to refocus on the specific issues. The Chair proposed reconvening the committee after a one month cooling off period, and to provide reasonable time to arrange a proposal to obtain outside mediation in order to resolve the issue.

### **Board of Directors Election**

The Board agreed to expand the number of seats from 13 to 15 to provide additional district representation on Committees and Board actions. The following Board members will serve during 2003:

Laura Alfalo, A & H Mangement  
Raquel Bensimon, Dearden's  
Michael Delijani, Delson Investments  
Ethan Eller, New Mart  
Gabriel Ferrucci, GF Properties  
Peter Fleming, The City Market  
Barry Gold, Dak Realty  
Steve Hirsh, Cooper Design Center

Lance Kluger, L & L Properties  
Igor Korbatov, Israel, Friedberg & Korbatov  
Elisa Mermelstein Keller, Santee Properties  
George Peykar, Peykar Wall Street  
Investments  
John Remeny, Remy Leather Fashions  
Sam Sale, SCS Building Fund  
Max Salter, Beno's

Officers will be elected at the January 2003 meeting and Committee appointments announced.

## **Advocacy**

### **Public Health & Safety Plan to End Homelessness in Downtown LA**

The Fashion District and Central City Association presented a white paper at a press conference on Monday, November 18<sup>th</sup>. The paper outlines policies that are designed to alleviate human suffering and take back the streets from people who cannot help themselves, contribute to the deterioration of the community, and endanger their own and the public health. The recommendations outline how appropriate agencies can move these populations off the street and into treatment or other suitable environments. City Officials who support the recommendations include LAPD Chief Bratton, Sheriff Lee Baca, City Attorney Rocky Delgadillo, and, City Council Member Jan Perry.

### **Adaptive Reuse Ordinance**

Developers, housing advocates, the Mayor's office and City Planning staff have been in discussion on how to best deal with the issue of residential hotels in Downtown.

In November, the City Council Planning and Land Use Management Committee (PLUM), approved expansion of the Adaptive Reuse Ordinance (ARO) to Lincoln Heights, Chinatown, Central Avenue, Wilshire and the Hollywood area. However, it was discovered that language was inserted into the ordinance by the City Housing Department, which would prohibit the conversion of residential hotels to AR projects. Although there is a legitimate need for these hotels as housing for low and very low-income individuals, many of the hotels are havens for parolee violators and criminals who prey on the homeless community.

The Fashion District BID testified, along with CCA and several Fashion District property owners, that due to Downtown's overabundance of residential hotels, the ordinance should exclude the Housing Department language, which would effectively stop conversion of the hotels and, thus, prevent this additional residential development in the Historic Core. It should be noted that many of these AR projects contain an affordable component to gain development and construction financing.

While an agreement was not reached at PLUM, a meeting organized by the Mayor's office, with Council staffs, developers and housing advocates attempted to work out the differences in the existing language. A second meeting was being scheduled when the issue was abruptly placed on a Council agenda. We and CCA staff worked feverishly and spoke to many Council members to explain why the issue of residential hotel conversion and expansion should be separate. The Council agreed and approved the expansion while creating a separate specific plan to address adaptive reuse in Downtown. The Council also agreed to create a working group of housing advocates, developers and Council and department staffs to further discuss the residential hotel issue. It is a great example of BIDs working together to stop a damaging zoning regulation that would have kept unsightly residential hotels like the Huntington Hotel from being upgraded.

### **Central City Community Plan**

The BID hosted a tour of the district for the planners who are updating the Downtown Community Plan. The planners were still under the impression that the Fashion District is a manufacturing district and were impressed with the transformation of the district to wholesale and retailing activities. Many of the infrastructure grants from public sources are dependent on the policies set out in the community plan and it is important that they understand the pedestrian character of the district.

### **CRA City Center Redevelopment Area Update**

The BID continues to monitor two lawsuits filed against the new City Center Redevelopment Area by Los Angeles County and the Coalition to End Hunger and Homelessness. The County lawsuit alleges that several Staples Center-adjacent parcels are not blighted and should not be included in the CRA area. The Coalition's lawsuit contends that the new CRA Area's 5- and 30-year plans do not adequately address low-income housing and replacement housing needs. Hearings for these two lawsuits have not been set.

### **Design Guidelines Completed and Available**

A press conference was held on October 17 and covered by California Apparel News, LA Downtown News, and the LA Garment & Citizen. Three properties in the Fashion District received Good Stewardship Seals from LA Conservancy for historically sensitive design. The guidelines are voluntary only and while they were meant to apply to Historic Downtown they have proved to be useful for other buildings through out our district with historic characteristics. This is all possible through the \$65,000 grant received from the Getty Foundation in 2000.

### **Neighborhood Council Board of Directors Elected**

On September 17<sup>th</sup>, over 1,000 Downtown stakeholders turned out at the Central Library to vote for the first ever Downtown LA Neighborhood Council (DLANC) Board of Directors. The election also included over 900 absentee ballots and set a voter record for the City's new neighborhood council process. In fact, many interest groups brought voters to the polls and conducted heavy absentee ballot campaigns.

The Fashion District BID, CCA, DCBID and other Downtown BIDs created a slate of candidates for the "Business Interest" seats on the 27-member Board. Our slate was exceptionally successful and elected seven new Board members. Congratulations to Lynn Myers, Mark Tarczyzynski, Richard Meruelo, Kevin Tamaki, Martha Saucedo, and Pierre Toulakany for their election victories. The Swearing In Ceremony and first Board meeting takes place on Sunday, October 20, 2002.

## **Special Projects**

### **Pedestrian Counts**

The Fashion District BID conducted pedestrian counts for the first time in October 2000. The counts were repeated in October 2003 in the same locations and time frame in order to produce good comparison data. Preliminary review shows a 12% increase in pedestrian traffic over 2000 counts. Data is being carefully analyzed and a press release is planned for the first quarter in 2003. Count data has proved to be an invaluable resource for encouraging district economic development, media attention, and procuring grant funding for streetscape improvements.

### **Wayfinding Signage Update**

Work on the project continues. The BID met with the City Engineer to resolve concerns about the wind load the vehicle signs will create on existing street lamp poles.

### **MTA Grant Application Updates**

The Fashion District submitted two short form applications for 2002 MTA TIP funding. The first is a Streetscape Project to link the Santee Maple Streetscape Project with the 7<sup>th</sup> Street corridor using Olympic and Los Angeles Streets. It is now being reviewed by Street Services, Engineering Division, and is supported by Council District 14. Both applications were selected by City Staff to continue in the selection process. The next step is approval by City Council. State budget cuts may impact MTA funding.

### **Request to CD 9 for Utilitarian Light Installations**

A November Council Item recommended action to expand the City's Outdoor Lighting Program. The Fashion District submitted a letter to CD 9 requesting to be included in the LAPD survey that will identify high crime areas for extra installations. Progress will be monitored.

### **Street Repaving**

San Pedro Street from 9<sup>th</sup> Street to the Santa Monica (10) Freeway was repaved during October.

### **Main Street Light Pole Modernization Program**

After a three year wait, light poles on Main Street are finally getting updated wiring and paint. All lights on Main Street are being retrofitted and painted the pole color requested by the BID.

### **Automated Public Toilets (APT)**

The BID was contacted by Viacom Decaux who are interested in installing three APT's in the district. The locations are as follows:

- (1) south side of 5<sup>th</sup> Street between Los Angeles and Maple
- (2) east side of Main Street just north of 9<sup>th</sup> Street
- (3) west side of Los Angeles Street just north of Olympic

Meetings were arranged with the owners of the adjacent properties and Viacom Decaux to determine if they support the installations and Locations. The APTs have been used in Paris and San Francisco and problems have arisen where there are concentrations of homeless individuals in the area. The locations that have been selected in our district have some impacts from homeless individuals but concentrations are not as large as in San Francisco.

## **Finance**

### **LAUSD**

The School Board is ready to recommend approval to move all operations from the San Pedro Street facility to a new facility in Montebello. Construction is expected to be completed in a year after which they will prepare the San Pedro Street facility for sale or ground lease.

The BID is working on policy paper for the payment of BID assessments with Andrew Glazier, Legislative Director for the LAUSD Board of Education. He is proposing future payment of 50% of the prescribed assessment on LAUSD parcels. The BID is maintaining that administrative portions of LAUSD property be charged full assessments but not optimistic of success on this point. However, the BID does have a verbal commitment from the school division that they will honor their past assessment upon the sale or lease of the property.

## **Staff Changes**

### **Accountant**

James Chau was hired in October as the new Finance Manager. Mr. Chau replaces outgoing Finance Manager Duane Graves.

### **Operations Director**

Brenda Peters was named Director of Operations for the LA Fashion District Business Improvement District (BID). Peters began work December 9, 2002. She replaces outgoing Director Joe Germain who moved to Las Vegas for family reasons.

Peters' responsibilities will include the management of the 50-member Clean and Safe Teams for the LA Fashion District BID, a 7-day operation, and is responsible for its \$2 million plus Clean & Safe budget. Along with the day-to-day operations that Peters will oversee, she will also work on projects that need special attention in the LA Fashion District such as illegal vending, encampments, and illegal dumping.

Ms. Peters is recognized as one of the best Operations Directors in the country and will no doubt make a positive impact on the district.

Peters most recently was the Director of Operations for the Downtown Seattle Association Metropolitan Improvement District. She started the Clean & Safe service

programs for Seattle's downtown BID in 1999. Peters managed 70 full time clean & safe team staff and a similar budget to the LA Fashion District. Previously she was a Commissioned Officer – Detective for the Washington State Liquor Control Board, and a Case Manager focusing on social disorder for the Washington State Department of Social & Health Services.

Among the strengths she brings to the FDBID is creating partnerships within the local community. One of the strongest partnerships Peters created was with Seattle's police department. According to Seattle Police West Precinct Commander Michael Sanford, Peters is up to the challenge of working with the LAPD. "Brenda has developed a number of innovative approaches to partnering with police agencies," said Sanford.

Peters was selected from over 250 candidates by a BID Search Committee paneled by Fashion District Property Owners Laura Aflalo, Raquel Bensimon and Barry Gold. Also on the panel were LAPD Captain Charlie Beck; Randall Ely, BID Director for Downtown Center BID; Joe Germain, the current BID Operations Director; and Executive Director Kent Smith.

## **OPERATIONS**

Nearly 70% of the annual budget is allocated to Clean & Safe programs. Fashion District Activity Reports were developed as a management tool to track and analyze trends, monitor productivity and cost efficiency. Reports are published on a monthly basis and with this detailed historical information we can enhance current systems to better serve the district. The following statistics are selected categories from the contact database.

In order to inform property owners of recent initiatives, communication information was again increased during the fourth quarter. The current BID, funded by the 550 property owners in the LA Fashion District, will end on December 31, 2002. The overall success of the BID is evident and the DPOA increased communication information this quarter to reinforce the need to continue funding maintenance, security and image building efforts for the district.

An October communication provided an update on how over 70% of the budget is spent on Clean & Safe Services, a sample of the program successes and the challenges facing the BID:

### **Clean Team**

- The BID's Clean Team removed 7.5 tons of street trash every day last month in the Fashion District. That's a 40% increase from the 4.48 tons in 1999 with no increase to the assessments!
- The Clean Team removed over 5,000 graffiti tags last year – up from 4,000 tags in 1999. They have removed over 6,000 tags in the first nine months of 2002.
- The Clean Team scrubbed over 20 million square feet of sidewalk last year – up from 15 million square feet in 1999.

### **Safe Team**

- The BID's Safe Team patrols the 82-block district seven days a week, 24 hours a day.
- The Clean and Safe Teams, in conjunction with LAPD and the health department, have seized almost 1,300 loads of fruit and hot dogs from illegal vendors in the first nine months of 2002.
- Crime is rising throughout the City of Los Angeles. Central Area of LAPD will actually be finishing the year with about the same number of crimes as last year. The BID has temporarily increased the number of officers on patrol to deal with crime spikes and quality of life issues.
- In the first nine months of 2002, the Safe Team arrested 20 people, including burglars, robbers and people attacking others. There have been a dozen assaults against Safe Team officers this year, including cans, bottles, rocks and fruit thrown at them, officers being spit upon and people hitting them with sticks.

## **Security**

**13,439 total Safe Team contacts were recorded during the fourth quarter – a 9% decrease in activity over the third quarter of 2002.** Illegal Vending, Graffiti Vandalism and Encampments continue to be the primary contact problems during the third quarter.

The Drinking in Public, Labor Worker Incidents, Loitering, Aggressive Panhandling, Burglary, and Motor Vehicle Burglary contact categories were included in this report for the first time, because of persistent or fluctuating recurrence, and increasing problems associated with these nuisance behaviors.

### **Contact Comparison: 2002 Third & Fourth Quarters**

<b><u>Category</u></b>	<b>Fourth Quarter</b>	<b>Third Quarter</b>	<b><u>% Variance</u></b>
<b>Overall Contacts</b>			
<b>All Zones</b>	<b>13,439</b>	<b>14,282</b>	<b>9% decrease</b>
Illegal Vending	2,660	3,169	7% decrease
Graffiti Vandalism	1,577	2,123	7% decrease
Encampments	2,006	1,606	8% increase
Drinking In Public	386	496	17% decrease
Labor Worker Incidents	78	139	56% decrease
Loitering	855	611	14% increase
Aggressive Panhandling	188	157	11% increase
Burglary	21	13	16% increase
Motor Vehicle Burglary	15	22	15% decrease

Decreases in categories may be attributed to additional officer deployments.

## **Illegal Vending**

The Clean and Safe Team assisted the LAPD and the County Health Department in their efforts of curbing illegal street vending. On this occasion other city entities were involved in the process. The Proactive Code Enforcement (PACE) Team, the Bureau of Street Services and the City Attorney also assisted in this endeavor. The target was to make arrests on this occasion to send a message to illegal vendors that continuing this activity has consequences. Eight arrests were made of vendors selling fruit, hot dogs, DVDs and counterfeit CDs. Many of those arrests were actually private person's arrests made by Safe Team members. The first case is going to court on November 6, 2002 and we are working with the City Attorney to get a conviction.



In October, BID officers made 7 arrests for illegal vending. They regularly warn illegal vendors and pass out educational material to prospective customers, and work with the police and health departments.

The BID Safe Team officers are taking the most aggressive stance they can on their own. Fortunately Captain Charlie Beck, LAPD Central Division, is making illegal vending the #1 priority for his officers.

### **County Health Department Starts Illegal Vending Sweeps Again**

The Fashion District worked directly with the County Health Department to supplement overtime pay for county health workers to partner with the BID staff in conducting illegal vending sweeps. The first effort on Thursday, November 14, produced excellent results with 38 fruit and hotdog cart confiscations by the Safe Team and the PACE team. Over 1,160 illegal CDs and DVDs were also confiscated. Sweeps took place every weekend from November 16, 2002 until the end of the year .

### **Homeless Issues**

We have all noticed an increase in the number of homeless people in downtown LA. We have counted 29 encampments in our district which didn't exist a year ago. CCEA has over 1,000 - CCA has recorded over 100. Jan Perry, CD9, in cooperation with City Attorney Rocky Delgadillo, is finalizing an anti-encampment ordinance for the city of LA. The current ordinance which prohibits sleeping on the side walk has provided to be unenforceable. Captain Beck arrested 120 people last month under this ordinance and none were prosecuted.

On October 9<sup>th</sup> the BIDS met with Mr. Delgadillo to discuss ways to overcome the "necessity defense" which prevents the enforcement of any anti-encampment, or anti-public urination & defecation ordinances. The City attorney was suggesting the opening of commercial parking lots in downtown to temporarily house shelter-resistant homeless. We strongly discouraged that alternative and instead suggested that temporary shelters could be constructed next to social service providers such as the one that recently opened at the Midnight Mission. We believe if the measures are adopted we can make a significant impact on the number of people sleeping on the streets of LA.

### **San Julian Drop In Center**

The BID testified at a Los Angeles Homeless Services Authority (LAHSA) public hearing on November 6, 2002 to reinforce the demand that the drop-in center address the negative impact its clientele are creating in the north part of our District. We also stressed the importance of tying the use of the drop in center by the homeless to acceptance of services rather than enabling an outdoor lifestyle as is currently the case. We were joined in these efforts by Jan Perry Council District 9 and Captain Charlie Beck, LAPD Central.

The BID asked Mr. Mitchell Netburn, Executive Director of LAHSA, to impose two restrictions on the operators of the center:

Use of the center must be tied to acceptance of services. If people are not interested in moving from the streets and taking advantage of services that are offered, they should not be encouraged to “hang out” in the general area so they can enter and leave the center as they like.

The operators must firmly commit to dealing with the illegal activity of the overflow of people who are waiting for services in the center. Operators must accept responsibility for increasing problems in the area surrounding their center and must help mitigate the problems they are creating.

LAHSA is incorporating the guidelines to ensure that these issues are addressed in the new contract for the operator of the center which will be selected in the next several months.

### **Fashion District Homicide**

The BID is saddened to report that a homicide took place in a building on 8<sup>th</sup> and San Julian near the Flower Mart. This incident affected the whole community including the employees at the business who witnessed the shooting. We drafted a letter to the District Attorney offering to prepare a victim impact statement outlining the trauma created in the community from the shooting. There are far too many shootings in the City of Los Angeles and the BID will continue to ask for measures to help reduce crime in the area.

### **Community Meeting with Captain Beck, LAPD Central**

The Fashion District met with Captain Beck, BIDs and residents, to discuss and prioritize street problems in downtown. At the Police & Community Collaborative Summit for LAPD's Central Division held on November 5<sup>th</sup>, four priorities were identified: Narcotics, Illegal Vending, Homeless Encampments, and Graffiti. Senior Lead Officers and the Fashion District will work together on the problems and will meet in six months to assess progress and identify next steps.

### **Fashion District Crime Prevention Efforts**

Subsequent to the November 5<sup>th</sup> Police & Community Collaborative Summit, an information update memo was sent to all Board Members and key property owners. Captain Beck was commended for his effort to partner with the community to address street disorder and to offer a recommended process that BIDs can use to provide LAPD Central with tracking data that can be used to supplement their tracking system.

### **Holiday Season Crime Prevention Tips**

During the holidays more customers visit the Fashion District. The BID wanted them all to have a positive experience and return to shop again. Property owners and merchants were advised to contact the BID Safe Team if customers complain about being panhandled or approached by persons demanding money to watch their cars. Additional tips included:

- Car break-ins often increase as holiday traffic increases. Suggest to customers that they lock their purchases in the trunk or out of sight. Recommend to customers that they should park in lots managed by attendants.
- Shoplifting and vandalism are also problems at busy holiday times. Safe Team officers can make an arrest only if they see the crime. Safe Team officers can help the merchant make a private citizen's arrest or police report.

### **Additional Holiday LAPD Foot/ Bike Patrols in the Fashion District**

Quality of life issues in the Fashion District become even more vital during the holiday season. Illegal vending and sidewalk obstructions become more prevalent. When this is combined with the large number of pedestrians, the sidewalks become not only congested, but sometimes impassable.

Captain Charlie Beck was asked for assistance and approved additional LAPD support during the holidays for the Fashion District. The BID asked for footbeats and/or bicycle patrols to support the basic car between Thanksgiving and Christmas. Several property owners sent letters of support for this effort. The combined efforts of the LAPD and BID were very effective. Two officers were assigned in this capacity during this time period on weekdays and four be so assigned on weekends. The BID commended Captain Beck's officers who have worked hard to help us with achieve the BID mission statement of making downtown a clean, safe, friendly place to work, shop and conduct business.

### **Maintenance**

#### **Trash Statistic Comparison**

Trash tonnage collected in the Fourth Quarter increased 12% over Third Quarter collections. Trash increases may be attributed to holiday shopping activity and illegal vending collections.

2002 Fourth Quarter  
748 Tons

2002 Third Quarter  
643 Tons

#### **Automated Sidewalk Cleaning Performance**

Over 18 million square feet of sidewalk was scrubbed and swept during the fourth quarter, slightly more footage than recorded for the third quarter.

During the quarter an additional sidewalk scrubbing machine and trash truck were purchased.

## **IMAGE & COMMUNICATIONS**

### **Public Relations**

Media impressions increased by 1,900,000 impressions over third quarter. Website site visits remain approximately the same. The searchable directory continues to attract visitors and keep them on the site for longer periods of time.

#### **Media Impressions**

<u>4<sup>th</sup> Quarter 2002</u>	<u>3<sup>rd</sup> Quarter 2002</u>
25,500,000	23,600,000

#### **Website Hits**

<u>4<sup>th</sup> Quarter 2002</u>	<u>3<sup>rd</sup> Quarter 2002</u>
1,450,000	1,400,000

### **Fashion Week**

California Market Center announced a significant increase in buyer activity at the November Market, including major retailers from overseas. Two of England's leading stores, Harrod's of London and Selfridges, shopped showrooms at CMC for the first time in many years. Over one quarter of all retailers in attendance were here for the first time.

7<sup>th</sup> on 6<sup>th</sup> is coming from NYC to present a fashion show in April at the Standard Hotel. The show is being sponsored by Mercedes Benz. This will help obtain more national and international coverage for Fashion Week. The BID plans to assist with event marketing.

### **Writer's Tour**

As a result of an October media tour, an Associated Press reporter attended Fashion Week and LA Magazine is writing a story on downtown and is including the Fashion District in its January 2003 issue.

### **Santee Alley Banners**

Hunt Design created a new banner design for north Santee Alley. Hunt is the same design company that developed the graphics for the current Fashion District banners.

### **Holiday Advertising**

The committee recommended purchasing holiday decorations this year instead of launching a holiday advertising campaign. The BID opted to lease street pole tinsel wrap from the Downtown Center BID. Results were well received. Since the district is not yet a nighttime venue, the light catching street pole wrap was a good decorating solution.

The LA Fashion District ran a public relations campaign focused on savvy holiday savings on hot fashions in the district for the month of December.

The campaign featured a press release on great bargains in the District and free holiday shopping tips tours. The tours were hosted by a future fashion designer who is a Design and Merchandising student at the Fashion Institute of Design and Merchandising.

The BID created and distributed the press release to 58 media outlets including print, radio and television. The story was picked up by media outlets in the downtown LA, the Valley, and Long Beach, and also by Spanish and Korean media sources. The campaign was very successful in attracting the attention of shoppers and visitors. The Fashion District received several thousand phone calls, emails, and requests for map guides as a result of media attention.

## ATTACHMENTS

*BID Lines*      October 2002      Property Owner Communication

*BID Lines*      December 2002      Property Owner Communication

*Brenda Peters Joins the LA Fashion District Management Team*  
November 27, 2002      Press Release

*Downtown BID Director Faces Hurdles*  
Los Angeles Business Journal      December 16-22, 2002

*Fashion District BID Names Seattle Veteran New Operations Director*  
Los Angeles Garment & Citizen      December 4-10, 2002

*Holiday Shopping Tips*  
LAPD & Fashion District

*Savvy Shopping for Hot Holiday Savings*  
Fashion District Holiday Advertisement

*Savvy Shopping for Hot Holiday Savings*  
Fashion District Announcement Flyer

*Holiday Shopping Tips from a Future Fashion Designer*  
December 3, 2002      Press Release

*Shopping, Sample Sales, Marts & Alleys – Oh My!*  
LA Downtown News      December 9, 2002

*Fashion District Offering Holiday Tip Tours*  
The Los Angeles Bulletin      December 5, 2002